



Independent decade:  
Starting on Monday, we will be  
celebrating 10 great years

Details, page three

A tale of two  
speeches

Page 10

Spitting  
spat puts  
play-offs  
in a spin

Baseball

A threat by umpires to have the play-offs after a player was called off at the last minute. They were targeted by a handling of an incident involving the Baltimore Orioles and his team, Roberto Alomar and an umpire, Jim Hirschbeck, on Friday.

Following an argument, a decision, Alomar spat and bumped Hirschbeck, later suggesting that the umpire's impartiality had been compromised in his belief over the death of his eight-year-old son. An angry Hirschbeck had to be restrained from storming to the Orioles' dressing-room.

The union chief, Rick Phillips, said that umpires' behaviour games of a five-game pension of Alomar did not immediately. However, the union president, Jerry Crawford, said umpires would honour a call to return to work if accepted, the League management obtained a ruling yesterday.

Alomar has apologised for behaviour and, because he appealed against the suspension, was being allowed to return to work if accepted. The League management obtained a ruling yesterday.

"Our executive board unanimously to withhold a vote until the Alomar suspension goes into effect," he said. "All the umpires in the American League and most of the League were polled."

The major league is locked out the players' strike, went into a meeting all the post-season began. "We will have these guys," Rick Lavin, the public's director for Major League Baseball, said. "We expect to honour their contract."

The first play-off was delayed yesterday at Baltimore between the Orioles and Cleveland Indians.

Alomar's apology was a two-page statement in the Oriole's. "I deeply regret that respect conduct took me as an umpire last year. I have to do it like a job. Not withstanding what started, I have great respect him and his people," he said.

Hirschbeck was the umpire in charge of the Orioles' after-applications against the Boston Red Sox in the first round of the American League, which was facilitated by Buckingham Palace, which also allowed unprecedented access to the royal archive.

Pimlott, professor of politics and contemporary history of Birkbeck College at the University of London, reveals that the monarch questioned the wisdom of the British invasion of Suez in 1956. She expressed anger at the Government's acquiescence in the US invasion of Grenada in 1983. She made it clear she was out of sympathy with Margaret Thatcher's opposition to sanctions against South Africa. And she let it be known that she was concerned over the general drift of Thatcherism, which she saw as dangerous.

Alomar has been a significant political influence in Britain throughout her reign and in general she has used it to push government policy to the left, according to a major new biography of the monarch by historian Ben Pimlott.

The influence has been behind the scenes and always subtle. But its general drift is clear and not confined to attempts to temper the excesses of the later years of Thatcherism. The sovereign is, as Professor Pimlott yesterday put it, "in her own way, a bit of a lefty".

The book, which is being serialised in *The Independent* over three days, starting today, is based on 85 interviews with members of the royal family, senior courtiers and the Queen's closest friends. Many of the interviews were

locked out the players' strike, went into a meeting all the post-season began. "We will have these guys," Rick Lavin, the public's director for Major League Baseball, said. "We expect to honour their contract."

The first play-off was delayed yesterday at Baltimore between the Orioles and Cleveland Indians.

Alomar's apology was a two-page statement in the Oriole's. "I deeply regret that respect conduct took me as an umpire last year. I have to do it like a job. Not withstanding what started, I have great respect him and his people," he said.

Hirschbeck was the umpire in charge of the Orioles' after-applications against the Boston Red Sox in the first round of the American League, which was facilitated by Buckingham Palace, which also allowed unprecedented access to the royal archive.

Pimlott, professor of politics and contemporary history of Birkbeck College at the University of London, reveals that the monarch questioned the wisdom of the British invasion of Suez in 1956. She expressed anger at the Government's acquiescence in the US invasion of Grenada in 1983. She made it clear she was out of sympathy with Margaret Thatcher's opposition to sanctions against South Africa. And she let it be known that she was concerned over the general drift of Thatcherism, which she saw as dangerous.

Alomar has been a significant political influence in Britain throughout her reign and in general she has used it to push government policy to the left, according to a major new biography of the monarch by historian Ben Pimlott.

The influence has been behind the scenes and always subtle. But its general drift is clear and not confined to attempts to temper the excesses of the later years of Thatcherism. The sovereign is, as Professor Pimlott yesterday put it, "in her own way, a bit of a lefty".

The book, which is being serialised in *The Independent* over three days, starting today, is based on 85 interviews with members of the royal family, senior courtiers and the Queen's closest friends. Many of the interviews were

locked out the players' strike, went into a meeting all the post-season began. "We will have these guys," Rick Lavin, the public's director for Major League Baseball, said. "We expect to honour their contract."

The first play-off was delayed yesterday at Baltimore between the Orioles and Cleveland Indians.

Alomar's apology was a two-page statement in the Oriole's. "I deeply regret that respect conduct took me as an umpire last year. I have to do it like a job. Not withstanding what started, I have great respect him and his people," he said.

Hirschbeck was the umpire in charge of the Orioles' after-applications against the Boston Red Sox in the first round of the American League, which was facilitated by Buckingham Palace, which also allowed unprecedented access to the royal archive.

Pimlott, professor of politics and contemporary history of Birkbeck College at the University of London, reveals that the monarch questioned the wisdom of the British invasion of Suez in 1956. She expressed anger at the Government's acquiescence in the US invasion of Grenada in 1983. She made it clear she was out of sympathy with Margaret Thatcher's opposition to sanctions against South Africa. And she let it be known that she was concerned over the general drift of Thatcherism, which she saw as dangerous.

Alomar has been a significant political influence in Britain throughout her reign and in general she has used it to push government policy to the left, according to a major new biography of the monarch by historian Ben Pimlott.

The influence has been behind the scenes and always subtle. But its general drift is clear and not confined to attempts to temper the excesses of the later years of Thatcherism. The sovereign is, as Professor Pimlott yesterday put it, "in her own way, a bit of a lefty".

The book, which is being serialised in *The Independent* over three days, starting today, is based on 85 interviews with members of the royal family, senior courtiers and the Queen's closest friends. Many of the interviews were

locked out the players' strike, went into a meeting all the post-season began. "We will have these guys," Rick Lavin, the public's director for Major League Baseball, said. "We expect to honour their contract."

The first play-off was delayed yesterday at Baltimore between the Orioles and Cleveland Indians.

Alomar's apology was a two-page statement in the Oriole's. "I deeply regret that respect conduct took me as an umpire last year. I have to do it like a job. Not withstanding what started, I have great respect him and his people," he said.

Hirschbeck was the umpire in charge of the Orioles' after-applications against the Boston Red Sox in the first round of the American League, which was facilitated by Buckingham Palace, which also allowed unprecedented access to the royal archive.

Pimlott, professor of politics and contemporary history of Birkbeck College at the University of London, reveals that the monarch questioned the wisdom of the British invasion of Suez in 1956. She expressed anger at the Government's acquiescence in the US invasion of Grenada in 1983. She made it clear she was out of sympathy with Margaret Thatcher's opposition to sanctions against South Africa. And she let it be known that she was concerned over the general drift of Thatcherism, which she saw as dangerous.

Alomar has been a significant political influence in Britain throughout her reign and in general she has used it to push government policy to the left, according to a major new biography of the monarch by historian Ben Pimlott.

The influence has been behind the scenes and always subtle. But its general drift is clear and not confined to attempts to temper the excesses of the later years of Thatcherism. The sovereign is, as Professor Pimlott yesterday put it, "in her own way, a bit of a lefty".

The book, which is being serialised in *The Independent* over three days, starting today, is based on 85 interviews with members of the royal family, senior courtiers and the Queen's closest friends. Many of the interviews were

# THE INDEPENDENT

THURSDAY 3 OCTOBER 1996

WEATHER Manly day

40P (48P)

## Queen's politics revealed

PAUL VALLEY

aging Britain with its uncaring attitude towards the under-privileged.

The Queen also made the Thatcher government aware that she thought it was undermining the Commonwealth and threatening the consensus in British politics which she thinks has served the country well since the Second World War.

The role of the monarch as part of the system of checks and balances which have developed in the British constitution has, in previous times, always been perceived as a check on left-wing politicians. "George VI's 'gashes' had sometimes focused on the Labour government's attacks on private property, and the Queen Mother continued happily to talk to all-comers about the misdeeds of communists and left-wingers in the Labour Party or at the BBC," Pimlott writes.

But the present Queen has acted more consistently as a check on the right. Her position over Suez was far from neutral in the face of Sir Anthony Eden's insistence on a dying thrash of Empire by invading Egypt. "I think the Queen believed Eden was mad," the book quotes one senior courtier as saying.

In more recent times the Queen made it clear that she thought the Thatcher government should be more caring towards the poor and that she had feared that serious long-term damage was being done to the social fabric of the nation during the 1984 miners' strike. She also had doubts about the decision to allow the Americans to use British airbases for a raid on Libya in April 1986.

The Queen's displeasure was expressed with circumspection but, in the circumstances, it was no less forceful for that. "She did not directly criticise the Government's plans. But she measured her response to them," Pimlott writes. "She would often express, or hint at, her own opinion by asking a leading question, or referring to somebody else who held an alternative view. If she approved she would say so, positively. Disapproval was indicated by a significant failure to comment."

Such was the Queen's style in general, the book reveals. Unlike her husband, the Queen seldom indicated directly what she wanted to happen. "She has excellent passive judgement," one former courtier says. She expects others to make suggestions, and then she reacts with caution, reserving her

most positive responses for ideas which fit her own needs precisely.

Pimlott reserves his greatest criticism of the Queen for her role in the backroom handover of power between the Tory premiers Harold Macmillan and Alec Douglas-Home. She allowed Macmillan to dupe her in what Pimlott describes as "the biggest political misjudgement of her reign". As a result of "the Macmillan-Home débâcle" the Conservatives changed their method of selecting their leader. This put an end to the monarch's discretionary power in the choice of a prime minister in normal circumstances.

But, he argues, the manoeuvrings around the formation of the minority Labour government in 1974 show that the monarch still retains a significant role. Though the Queen's prerogative powers were never invoked a belief in the possibility that they might be played an important part in the inter-party political poker game. In the multi-party conditions thrown up by a volatile electorate – and in the event of a hung parliament at the next general election – it might be a crucial one.

Queen and Country, pages 18 and 19

Conservative powers were never invoked a belief in the possibility that they might be played an important part in the inter-party political poker game. In the multi-party conditions thrown up by a volatile electorate – and in the event of a hung parliament at the next general election – it might be a crucial one.

Queen and Country, pages 18 and 19

Proprietary insurance companies are owned by shareholders, either directly through the stock market or as sub-sidiaries of other companies.

Norwich Union's announcement yesterday signalled the start of an expected rush by mutual insurance societies to follow the building societies and abandon mutuality. Almost three million of its policyholders will receive at least £500 and perhaps up to £2,500 in free shares from the flotation next year, which is expected to value the company at £4.5bn.

Proprietary insurance companies are owned by shareholders, either directly through the stock market or as sub-sidiaries of other companies.

Mr Chapman says his ranking "shows the strength of the mutuals. After all, they ought to outperform" proprietary companies. They do not have to give away 10 percent of their earnings in transit to shareholders.

Proprietary companies are allowed to share a portion of the life insurance funds they run.

Building societies have been slow to follow the lead of the building societies by abandoning their mutual status.

Building societies that have converted include Abbey National, and Cheltenham & Gloucester, and next year the Halifax, the biggest of all the societies, will become a stock market-quoted bank.

Although some other leading mutual insurers, such as Standard Life, insist they have no plans to convert, there was a similar initial reaction by other top building societies to Abbey National's pioneering decision.

Industry experts believe that the pressure will soon mount on other insurers to join the stock market.

Business, page 20  
Comment, page 21

### CONTENTS

Section 1

BUSINESS & CITY 20-24

COMMENT 17-19

FOREIGN NEWS 11-15

GAZETTE 16

HOME NEWS 2-10

LEADING ARTICLES 17

LETTERS 17

OBITUARIES 16

SHARES 23

SPORT 25-28

UNIT TRUSTS 24

### Section 2

ARTS 6-7

DILEMMAS 5

EDUCATION 12-19

FILM 8-11

GRADUATE PLUS 26

MISCELLANY 34

RADIO 36

TELEVISION 35

WEATHER 33

Maurice Lacroix  
Switzerland



THE TAGHE COLLECTION  
PRIMUS

GOLDSMITHS

WALKER & HALL

THE MARK OF A FINE JEWELLER

Maurice Lacroix Swiss Watches, are available  
at selected branches of the Goldsmiths Group.  
one of the country's leading retail jewellers  
with over 100 branches nationwide.

For details of your nearest stockist call  
FREE on 0800 220733

Medical school crisis  
One in 10 professional chairs in  
British medical schools are  
vacant and scores of other  
teaching posts are unfilled because  
universities can no longer afford  
to match NHS salaries for doc-  
tors. Page 8

Sounds familiar: John Lichfield had a preview of Tony Blair's speech – from Bill Clinton four years ago. Page 10

## news

# New York arms haul linked to IRA

DAVID McKITTRICK  
Ireland Correspondent

Police in New York have seized a substantial cache of weapons which they believe may have been intended for the IRA, while Gardai in the Irish Republic yesterday discovered mortar equipment close to the border.

The American seizure took place in the Queen's district of New York on Monday, netting

two semi-automatic Uzi sub-machine guns, together with other material.

Police have charged two Irish-Americans, who have been named as Patrick McGinley, 33, and Adrian Gallagher, 39.

Police in the Queen's district, where the arrests were made, confirmed they were investigating a connection with the IRA.

Queens' District Attorney Richard Brown said: "It would

be premature to suggest where it is that the investigation will lead.

"Suffice it to say that we do not believe that a cache of weapons of this magnitude can be viewed in a vacuum. We intend to follow all investigative leads to determine under what circumstances and why it is that the defendants amassed this small arsenal of weapons and ammunition."

In the Irish Republic, mean-

while, police discovered 21 mortar tubes and eight frames used to launch mortars in an underground bunker on farmland at Hackballcross, not far from the border with South Armagh.

A police spokesman said the find was made after a continuing search operation along the border. He added that no explosives were found in the bunker and that the mortars were not primed.

While it is not yet known

whether the mortar equipment was simply being stored or was ready for imminent use, the discoveries in both the Republic and the United States will increase concerns that the IRA is actively planning a new offensive.

Security forces have been placed on a high state of alert since the recent discovery of a major IRA explosives cache in England.

The body of Diarmuid

O'Neill, who was shot dead by police during the police operation in London, yesterday arrived at Cork airport under tight security arrangements.

His parents, Owen, and Theresa, together with his sister Siobhan and brother Shane, travelled on the flight carrying the coffin.

Earlier police officers

searched the airport and its

grounds, including the morgue

where the coffin is to be kept.

## significant shorts

### BBC faces huge bill after Aids battle

No charges over unlawful custody death

Police officers will not be charged over the death of a man in custody, despite an inquest jury's decision that he was unlawfully killed.

The Crown Prosecution Service said there was insufficient evidence for proceedings over the death of 37-year-old Richard O'Brien, who died after being arrested in Walworth, south London, in April, 1994.

Last November the inquest jury returned an unlawful killing verdict and a transcript of the proceedings was passed to the CPS, which had previously decided against bringing any proceedings following an investigation supervised by the Police Complaints Authority.

### Barclay twins challenge law

The secretive brothers David and Frederick Barclay yesterday launched a High Court challenge against the Broadcasting Complaints Commission after their Channel 4 Island home was "invaded" by reporter John Sweeney, who was making the media programme *The Spin*.

The twins, 61, who spent millions building a Gothic castle on the uninhabited island of Breckon, lodged a protest with the commission last year, but were told nothing could be done until after the programme had been broadcast.

The pair are now seeking a judicial review of the section of the Broadcasting Act which governs the BBC's powers. Mr Justice Sedley reserved his ruling to a later date. *Charlie Bain*

### Return to Glastonbury

The Glastonbury Festival is to return next year, after being cancelled this summer, with places for an extra 20,000 music fans. Michael Eavis, the Somerset farmer who runs the mammoth event, said he was planning one of the biggest "park and ride" schemes seen in this country to free-up land for festival-goers.

The move will increase the capacity from 80,000 to 100,000 for the festival, on 27, 28 and 29 June. The cream of Britpop, including Blur and Oasis, played at Glastonbury last year, although no bands have yet been lined up for 1997.

### Banks 'failing customers'

Banks are still making an "unacceptably high" number of basic mistakes, despite efforts to improve customer service, the Consumers' Association said yesterday.

Standing orders and direct debits were the source of most errors, according to its magazine, *Which?*

Other common mistakes included incorrect charges, new cheque books and guarantee cards not sent or posted to the wrong address, unauthorised debits from accounts and statement errors.

### Rail union set to strike

Rail services in Scotland will be affected by an overtime ban by members of the RMT union from 14 October. The decision to ask for an "indefinite" ban by conductors and ticket examiners was the latest twist to the long-running dispute over rewards for increased responsibility.

### Camelot faces Ofot action

The Lottery regulator, Peter Davis, is considering taking action against Camelot for failing to install scratchcard verifying machines in shops over a number of months, an omission which he claims is costing "good causes" money.

#### THE INDEPENDENT ABROAD

Austria ..... £6.40 N Ireland ..... £6.00  
Belgium ..... £8.95 Italy ..... 14.95  
Canada ..... £16.00 Mexico ..... £9.25  
Cyprus ..... £6.20 Malta ..... 4.43 cents  
Denmark ..... £12.15 Norway ..... £6.20  
Ireland ..... £8.50 Portugal ..... £6.20  
France ..... £11.14 Spain ..... £6.00  
Germany ..... £16.42 Switzerland ..... £6.22  
Greece ..... £14.50 Sweden ..... £6.00  
Luxembourg ..... £16.00 USA ..... £3.00

OVERSEAS SUBSCRIPTIONS  
Air mail, 13 weeks: Europe £11.75; Zone 1 (Middle East, Africa, India and Asia £13.00; Zone 2 (for East and Australia) £20.70. To order, please send cheques to *Independent International Media Services Ltd* 43 Mortimer Street, London W1M 8TR or telephone 0171-536 6282. Credit cards welcome.

BACK ISSUES  
Back issues of the *Independent* are available from *Historic Newspapers*, telephone 01398 84070.



Height of fashion: Rasheed Araeen beneath his giant sculpture, *To Who It May Concern*, which is being constructed in front of the Serpentine Gallery in west London, for display from next Monday until 1 December. The huge, box structure uses 1,000 modules made of scaffolding that includes a maze at ground level... Photograph: Tom Pilston

**MEN  
THINK  
THEY  
CAN  
CHANGE  
THE  
WORLD.**

**THEY  
CAN'T  
EVEN  
CHANGE  
THE  
LOO ROLL.**

The role of men and women. Will it ever change? In this week's Radio Times we speak up for Britain's women.

**RadioTimes**

IT'S NOT WHAT YOU EXPECT.

# MPs protest their innocence over cash

Members give their side of the story over lobbyist's money. Report by Jojo Moyes and Ian Burrell

Sir Malcolm Thornton (C) Crosby, chairman of the Education Select Committee: "We don't quiz individual contributions, we just say 'thank you'."

Yesterday they gave their reasons for accepting the money.

Sir Gerry Vaughan (C) Reading East: "Those sorts of contributions go straight to a fighting fund and are handled by my agent. I was not even aware that it came from Mr Greer. It never crossed my mind that he might expect anything in return."

Sir Neil Thorne (C) Ilford South until 1992: "During my five general elections I must have had to raise about £40,000 to cover my legal election expenses and I just do not know who has contributed to that. I had no idea at all that it came from Ian Greer, certainly no idea that it had come from someone else, particularly Mr Fayed."

Ken Warren (C) Hastings and Rye until 1992: "I assumed it was based on our acquaintance over a period of 30 years. I have never worked for his company at any time or any of his associates. I'm very annoyed."

Brighton Kempson: "I accepted it as a donation as I would from any businessman..."

Scottish Tory chairman Sir Michael Hirst: "Assumed it was a gesture of support for the Tory party in a marginal seat." "I don't feel remotely compromised. I am a totally innocent bystander."

Former Tory whip Michael Brown, Brigg and Cleethor-

pes: "I introduced a company, US Tobacco, to Ian Greer, who paid me an introduction fee. I did not declare because I did not think I had to."

Robert Atkins (C) South Ribble: unavailable for comment.

Gerry Bowden, former MP for Dulwich: "Greer made a contribution among hundreds of others to the fighting fund... He was personally interested in getting a Tory government elected."

Shadow health secretary Chris Smith: "I have never received any money personally. No favours have ever been asked, and there would have been a very robust rebuttal if they had tried."

Doug Hoyle, chairman of the Parliamentary Labour Party, said: "Nothing was paid directly to me. I didn't ask for the donation. Nothing has been given in return for the donation."

Alan Beith (LD) Berwick-upon-Tweed: "My local association received a donation to the general election appeal from Ian Greer, or his company, in 1987." "No contact since."

Sir David Trippier (C) Rossendale and Darwen, Minister for Small Businesses until 1987: "Money came in from Ian Greer as it did from various

sources... If *The Independent* had sent me money I would probably have accepted it."

Michael Portillo, (C) Enfield, Defence Secretary: Declined to comment.

Baroness Chalker, Minister for Overseas Development: "She will not be commenting until she returns [from Norway]."

Lord Tebbit, former Tory party chairman: Unavailable for comment.

Sir Anthony Durrant (C) Reading West: "Assumed he had sent it out of friendship; that it was a generous offer and had nothing to do with anything else."

The office of Gerry Malone (C) Winchester: "Nothing further to add what is in the paper."

Niru Deva (C) Brentford: "The money comes into the association and the candidate never knows where the money is coming from. I suppose Greer was trying to be seen as a good fellow."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The firm has worked closely with wildlife groups, the Ministry of Agriculture and landowners to plan the route of the new road. "We have to live in harmony with the badgers - after all, they've been in residence longer than us," said a spokeswoman.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a donation to the party."

Lord Moore, John Lee, Colin Moynihan: either unavailable or declined to comment.

The agent for David Mellor (C) Putney: "It was from Mr Greer as a constituent in Putney and was received in all good faith."

Norman Lamont (C) Kingston-upon-Thames: "I think it is a row about nothing. Mr Greer is a Conservative, and I was hardly surprised that he made a



## LABOUR IN BLACKPOOL

## YESTERDAY AT THE CONFERENCE

## MAIN ANNOUNCEMENTS

- No more Twyford Down-type road schemes
- 100,000-strong force of Millennium Volunteers
- Literacy summer schools
- A permanent roof for the homeless
- Inquiry into handling of BSE crisis by ministers and officials



## QUOTES OF THE DAY

"Now it seems you can even buy politicians at Harrods." Gordon Brown

"Eminence is an old fashioned luxury we can no longer afford." Baroness Castle

"And do you know conference, John said yesterday...er, Tony said yesterday...". Mary Turner, representing the NEC

"We make promises that we can keep and we don't make promises we can't keep, and you know who taught me that lesson-Barbara Castle." Harriet Harman

GOOD DAY... BAD DAY DEVIL OF THE DAY



Alan Howarth MP, Harriet Harman, Tory defector, warmly received by conference darling as he attacked Government record on plucking pension figures out of the air;

THE CROWD-PULLERS ON THE FRINGE Arthur Scargill and Tony Benn, Justice for the Mineworkers Campaign.

Clare Short and John Monks at TUC fringe, 350 people.

Pollster Bob Worcester (Mori) on the importance of the grey vote, 100 people.

SPIN OF THE DAY The message from party news managers - Never mind the pensions bother, Gordon Brown has triumphed on trimming child benefit for over-16s.

THE PARTY TO BE SEEN AT BBC thrash at the Savoy, free drinks with John Birt

British Airways at the Pembroke; Irish Embassy at the Imperial Hotel

Welsh Night with choir, the Blairs and the Prescotts

SIGHTINGS Alan Leaman, aide to Paddy Ashdown

Des Wilson, Lib Dem '92 campaign chief

David Trimble, leader of the Ulster Unionists

RAPTUREMETER David Blunkett (education) 1 min 15 secs

Baroness Castle 53 secs

Harriet Harman (social services) 30 secs.

92 decibels

TODAY'S BUSINESS Defence, overseas aid, crime, gun control, reforming democracy, racial equality.

Compiled by Stephen Goodwin

Pensions: Former minister denies 'rocking the boat' after party manouevres save Blair from defeat

# Castle's rallying cry raises the roof

COLIN BROWN  
Chief Political Correspondent

The fiery former Cabinet minister Baroness Castle brought the Labour Party conference in Blackpool to its feet with a vintage fighting call for pensions to be linked to rises in earnings under a Labour Government.

The Labour leadership was privately rejoicing after a 'comfortable' win in the card vote. The result is to be announced this morning but it was a foregone conclusion after the powerful Transport and General Workers Union swung the baroness' way. Harriet Harman, the shadow Social Security Secretary.

The stand by Lady Castle, 36, was the only serious challenge to Tony Blair's leadership in a week in which the party has shown an unprecedented will to win the next election. Lady Castle dismissed allegations that she was "rocking the boat" by challenging the leadership's document *Security in Retirement*.

"I believe that good debate only strengthens democracy, not weakens it," said Lady Castle. Looking frail, and occasionally showing a lapse of memory by describing the Labour leadership as "the government", she showed that she had lost none of her fire. She said by raising the issue, she had put pensions at the centre of the political agenda, and scolded Tony Blair, who was on the platform, for failing to include pensions in his five priorities for action in Government.

Lady Castle was given a standing ovation eclipsing the support for Ms Harman, who has won through one of the most difficult weeks in her career following criticism of her choice of a grammar school

for her son. She was forced to concede the case for a commission to review pensions policy after the election. Ms Harman made it clear that the review will include the policy document on which Labour intend to fight the election. Ms Harman told the conference: "We will discuss everything."

The former Employment Secretary, who crossed swords with Cabinet colleagues when she in office over her plans for union reform, *In Place of Strife*, demanded Labour should withdraw its pensions document to fight on a "level playing field".

The Labour leadership refused to make that concession, but by committing itself to "discuss everything" left open the option of changing the policy on pensions after the election - a move that the Tories may try to exploit in the election campaign. Peter Lilley, the Social Security Secretary, said the debate showed Labour was still the "tax and spend" party, and he accused Ms Harman of trying "to buy off a rebellion by clear promises to move towards higher spending on Serps and earnings-linked basic pension."

Barbara Castle: "Good debate strengthens democracy"



Day trippers: Two pensioners, on a visit from Leeds, take a rest by the Blackpool shore

Photograph: Brian Hains

## Old battles echo in last-ditch win

BARRIE CLEMENT  
and JOHN RENTOUX

It was portrayed as a victory of New Labour over its older, grubbier version. And it was. Yet there was much more to Mr Blair's victory on the pensions issue than that.

There was, for instance, the traditional Labour confrontations on licensed premises, the arm-twisting on the fringes of the conference in the dog-eared Gothic splendour of the Winter Garden at Blackpool. Such backstage manoeuvring finally delivered Tony Blair from his first defeat of the week.

A secretive meeting between Gordon Brown, the shadow chancellor, and 100 constituency delegates yesterday lunchtime gave a critical impetus to the tide in favour of the platform, an attempt to persuade the representatives of

Poplar and Canning Town constituency to shelve their motion in favour of tying pensions to average earnings having failed.

Behind the scenes there was an echo of a seismic political battle fought almost three decades ago between Barbara Castle, then secretary of state for employment, and Jack Jones, general secretary of the Transport and General Workers Union which at the time was one of the most powerful institutions in the land.

Yesterday Baroness Castle insisted that Labour should commit itself to a link between pensions and earnings, while Mr Jones who adopted a similar stance struck a deal. In her days as a cabinet minister Baroness Castle author of a White Paper, *In Place of Strife*, which set out eight speed IDE CD-ROM drive.

Yesterday the old union negotiator once more proved more effective than his parliamentary adversary. It was the victory of negotiator over podium orator.

Lady Castle continued to insist on her fundamentalist line, while Mr Jones president of the National Pensioners' Conven-

tion, was prepared to settle for something less.

Mr Jones elicited from the Labour leadership a commitment that a review of pensions would appear in the manifesto. He decided that such an accommodation would be far more effective than a successful resolution which would be ignored by the Labour leadership. Both the Transport and General Workers' Union and Unison accepted the argument - the former voting against Lady Castle's favoured motion and the latter abstaining.

The decisions of these two delegations deprived Lady Castle of nearly 20 per cent of the conference vote. Despite several frantic meetings the GMB general union voted against the platform.

Mr Blair's victory was an exercise in practical politics rather than fundamental conviction.

## ALLIANCE & LEICESTER GIRO CURRENT ACCOUNT £20 CHALLENGE

Open a Current Account  
now and you'll get £20  
worth of Marks & Spencer  
gift vouchers

It's a simple challenge.  
You can get £20 worth of Marks & Spencer gift vouchers  
when you open an Alliance & Leicester Giro Current  
Account with £200\* before 31 January 1997. We'll send  
your vouchers to you - and you'll enjoy all these benefits:

- Bank at almost 20,000 Post Offices.
- Bank by telephone, 24 hours a day, 365 days a year.
- Withdraw cash at over 9,000 LINK machines.
- Debit, cash and cheque guarantee cards.  
(Subject to status.)
- Bank by post.

To qualify for your £20 worth of vouchers, request your application form today. Call us free, 24 hours a day, or complete and return the coupon below.

Call FREE today 0800 41 22 14

Quote ref: E35

### Track down an Alliance & Leicester Giro Current Account today

Please send me full details of the Alliance & Leicester Giro Current Account, including information on how to open an account, an application form and my claim form for £20 worth of Marks & Spencer gift vouchers. Ref E35

Send to: Alliance & Leicester Giro, FREEPOST CV2217, Stratford Upon Avon, CV37 9BR. (No stamp needed.)

Please do not send any money with this coupon.

Mr/Mrs/Ms/Miss/Other (Please state) Initials Surname

Address

Home Tel. No. (including STD code)

Date of Birth / / Signature

I am happy to receive information on Alliance & Leicester Giro products and services. If you do not wish to receive further communications from Alliance & Leicester Giro, please tick here.

High Street banking at your local Post Office

Offer valid only when you phone the above number or send off this coupon for an application form. Applications from post offices are not valid for this offer. Once your claim has been valid and funded with at least £200, return the claim form, before 31 January 1997, and £20 worth of Marks & Spencer gift vouchers will be made per person. Applicants for an Alliance & Leicester Giro Current Account must be aged 16 or over (subject to status). Alliance & Leicester Giro account holders are depositors with the Society. No claim can be made on the Society's controller or depositors nor do they have the right to attend meetings of the Society or its controllers. Alliance & Leicester Building Society, Pentlands House, 22 Park Lane, London W1 4BQ.

## "MJN Has Always Produced Solid And Reliable PCs"

PC Home Magazine



### MJN Multimedia MT

Intel Pentium P133MHz processor (P133 model) or 60MHz P166+ processor manufactured by IBM (P166+ model)  
16Mb EDO RAM (P133 model) or 32Mb EDO RAM (P166+ model)  
256K pipeline burst cache; 3.5" diskette drive  
1GB (P133 model) or 2Gb (P166+ model) enhanced IDE hard disk  
Eight speed IDE CD-ROM drive  
14" (P133 model) or 15" (P166+ model) crisp sharp 280p NT  
SVGA screen  
Integrated stereo 16-bit sound card, PC joystick and 2 stereo speakers  
MJN 8 bay mid-tower; 2 fast 1.6550 serial and enhanced parallel ports  
Integrated 64-bit graphics (use up to 2Mb RAM)  
Software MPEG capability with video acceleration  
Windows 95 105 keyboard and mouse

• V34.28.8 BABT internal fax/data modem (limited to first 500 orders)

**Software**  
• Microsoft Windows 95  
• Lotus SmartSuite 96 for Windows 95 with Word Pro, Freelance, 1-2-3, Organizer, Approach and Smartpics  
• GSP Software suite with Pressworks, Designworks, Homebase and Money

• CD Multimedia titles including Encyclopaedia Britannica 1996, Encyclopaedia of Reference Books, Bodyworks v5 and WinWord 95

Major systems come with Lotus SmartSuite 96 and 7 modular reference books on CD



# Fertility ban on widow 'is cruel and unnatural'

PATRICIA WYNN DAVIES  
Legal Affairs Correspondent

Banning a young widow from bearing a child using her dead husband's sperm would be "cruel and unnatural", a leading fertility expert said yesterday as the woman launched a court battle against the Human Fertilisation and Embryology Authority.

Lord Lester QC, counsel for the woman who is DB, read out a statement from Lord Winston, professor of fertility studies at London University, saying that there was "ample justification" for inseminating Mrs B with the sperm and allowing it would be the humane course.

Lord Winston, consultant in obstetrics and gynaecology at Hammersmith Hospital, said that the husband's sperm was "alive and in storage. Until disposed of she will, in effect, be in limbo. To destroy it without good reason would be undeniably wanton". Sperm that cannot lawfully be used within five years must be destroyed.

Lord Lester told Sir Stephen Brown, President of the High Court Family Division, in a judicial review that the authority had taken an "unduly narrow approach" in insisting that the

artificial insemination of Mrs B could not go ahead because her husband had not signed a formal written consent.

In another written statement read out to the court, Baroness Warnock, who chaired the committee of inquiry which led to the establishment of the authority, said it was recognised that written agreement might not always be possible. In this case it seemed that the husband's wishes were known. "I feel certain we would have seen an ethical or public policy objections to allowing the woman to become pregnant," she said.

It also emerged in yesterday's court case that Mrs B, 30, was not told of the significance of getting written consent at the time she asked for sperm to be taken from her unconscious husband in March last year. "The irony is that if she had been fully informed at the time, she might have sought to be inseminated before her husband's life support was turned off," Mr Lester said.

Mr B was in a coma as a life-support machine in the Royal Hallamshire Hospital, Sheffield, after contracting bacterial meningitis. Mrs B knew her husband would have approved of insemination because he had specifically discussed it after

reading a newspaper article about another couple. "This is not a case about disregarding the wishes of the deceased husband," Lord Lester said. "It is a case about advances in medical science being able to help his widow to have the child which they both so much wanted."

Lord Lester said the couple married in 1991 after a nine-year courtship and had expressly requested the traditional 1622 Anglican form of service which places a greater emphasis on procreation. When they began trying to conceive, they had altered the furniture in their home and chosen a name for a daughter. At the point that the husband fell ill, four days before he died, the couple mistakenly believed Mrs B was pregnant.

Lord Lester said the couple should be viewed as having treatment "together", which does not require written consent under the Human Fertilisation and Embryology Act. If there was any ambiguity, Parliament had to be presumed not to have intended to breach the European Convention on Human Rights. A ban on Mrs B using the sperm would breach the fundamental right to found a family within marriage under article 12, he said. The hearing continues today.

Animal rights protesters get down to bare essentials



"Lady Godiva", with just a long blonde wig protecting her modesty, looks away from a lone security guard as she interrupts preparations for the Horse of the Year Show at Wembley Arena in London yesterday, writes Jojo Moyes.

The woman was there with members of the animal welfare group People for the Ethical Treatment of Animals (Peta), who were protesting against the use of the hormone-replacement drug Premarin, which is drawn from the urine of pregnant mares. Animal rights groups say that about 80,000 pregnant mares are kept in "cruel urine farms" to create the drug, an oestrogen supplement for menopause used by approximately 8 million women world-wide. Photograph: David Rose

**HURRY! SALE ENDS OCT 16<sup>TH</sup>**

**50% OFF CABINETS**

**42 SALE STYLES - EVERY CABINET REDUCED**

**COMPARABLE KITCHEN CABINETS**

**GUARANTEED 20% LESS THAN ANY OTHER NATIONAL RETAILER'S QUOTE**

**See in-store for terms and conditions**

**Schreiber**

CHILTERN Striking green doors and drawer fronts provide the perfect contrast for solid pine knob handles and trim.

**COMPLETE KITCHEN\* INCLUDING 7 Rigid Cabinets, Oven, Hob and Extractor, Sink, Taps and Worktops**

**PLUS LARDER FRIDGE & FREEZER**

**SALE PRICE £1099.79**

Was £1350.79

**HALF PRICE REFRIGERATION**

**LARDER FRIDGE FOR ONLY £89.99**

Was £129.99

**FREEZER FOR ONLY £99.99**

Was £129.99

**SALE PRICE £179.99**

**OR**

**£50 OFF ANY OTHER REFRIGERATION PRODUCT IN OUR RANGE**

Offer limited to one refrigeration item of each per customer/household. Not transferable to any other product. Offer applies to cabinets, appliances and accessories included in the Price List.

**LOW-COST INSTALLATION AVAILABLE**

**MFI**

**homeworks**

## Fridge parks to take BSE carcass backlog

JAMES CUSICK

Vast parks, including disused airfields, filled with up to 1,000 refrigerated lorry containers, are being planned by the government to tackle the cattle-cull crisis which is affecting the timetable to eradicate BSE.

Roger Freeman, the Chancellor of the Duchy of Lancaster, revealed yesterday that the backlog of culled cows was "substantially larger than had been anticipated". The problem centres on the bottleneck that has left rendering plants unable to keep up with the cull.

The plants' machinery, which reduces carcasses to tallow and bone meal, has in some cases broken down as capacity has increased. Plans to increase the number of plants have often run into planning regulation buffers.

Since the onset of the beef crisis in March, with the announcement in Parliament of the potential link between BSE

and the human form of the disease, CJD, the Government has undertaken a slaughter programme of all cattle over 30 months old with the aim of removing BSE from the food chain. The number of culled cattle has passed the half-million mark with the industry killing 33,000 cattle each week. This is on top of the 50,000 "clean" cattle killed each week for the UK's internal beef market.

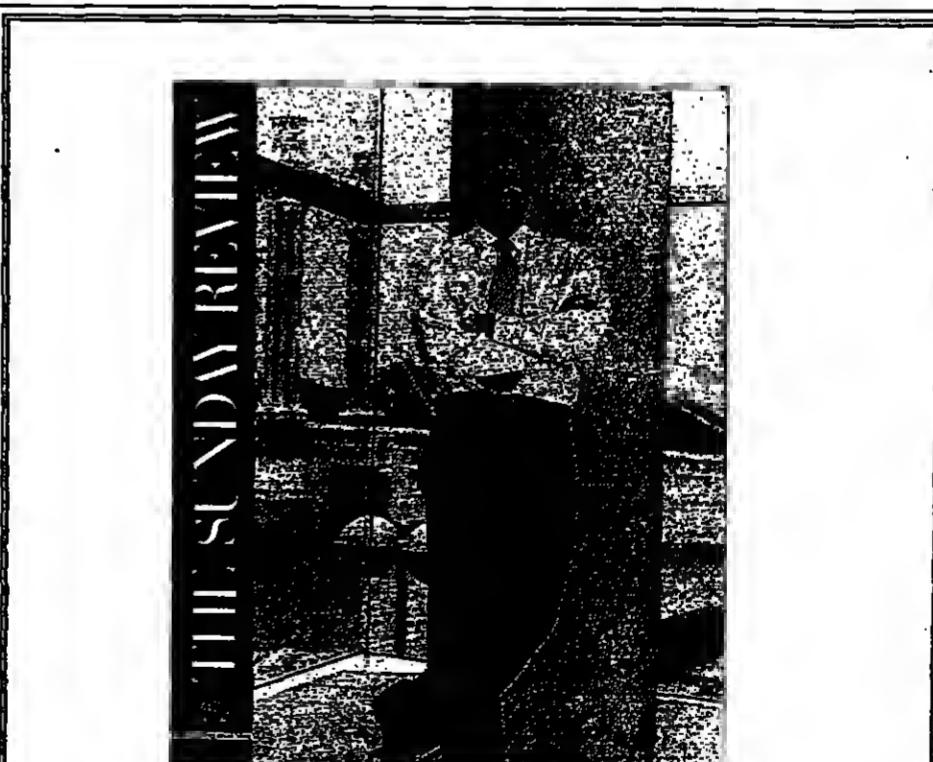
At a series of meetings with farmers in Devon yesterday Mr Freeman said that a change in the rendering mix would allow more of each carcass to be stored, and the slaughter rate would be increased from 33,000 per week to 55,000 per week.

Mr Freeman told the farmers that to cope with the need for storage facilities he was increasing the use of refrigerated containers. A spokeswoman for the Intervention Board, which is organising the cull, said the board had "confirmed" that

specialist ships were also being looked at.

The Federation of Fresh Meat Wholesalers said yesterday that their early warnings to the Government now appeared to be justified. Peter Scott, the general secretary of the federation, said: "It has been dawning on ministers that just because you want numbers to be true, doesn't mean they will be." He added: "Killing cattle is not a problem. Rendering is. The carcass backlog in the culling timetable is now thought to be as high as 400,000."

"We understand that cold storage capacity in the UK is now running out," said Mr Scott. "The public see cattle as something akin to the Black Death. [So] many firms who use cold storage do not wish to see their produce stored alongside culled carcasses, hence, even where there is free capacity, the Intervention Board ... are being turned away."



Sir Norman Foster, designer of tall towers and darling of the avant-garde, is the architect the tabloids most love to hate. In an exclusive interview with Jonathan Glancey, he gets a chance to answer back

The Cultural Revolution continues: the second part of our series on the coming digital age examines the implications of the new technologies for private life - sex and love on the Internet, shopping in an online home, and the possible end of self...



Plus: the joy of fish... Michael Bateman introduces a delicious three-part guide to the secrets of piscine cuisine

And the art of trashing: Nicholas Barber continues our survey of British hotels with a celebration of the rock'n'roll tradition

IN THIS WEEKEND'S INDEPENDENT ON SUNDAY

\*FOR EXAMPLE THE ABOVE COMPLETE KITCHEN COMPRISES: 7 CABINETS: 1000mm Onerow Base Unit x 1, 1000mm H-Line Base Unit x 2, 1000mm Full Height Wall Unit x 2, 600mm Built Under Oven Housing Unit, 800mm Hob Wall Unit. ACCESSORIES: Stainless Steel Ledge-on-Sink (S92821/22), Waste and Overflow, Plaster Tap (PAP 1100), Worktop 500mm x 500mm x 1, Worktop 500mm x 1m x 1, Continuous Panel x 2, Return Panel x 4. APPLIANCES: OA Appliance Package (A01111/12) Comprise: Electric Oven, Hob and Extractor, Hob and Extractor, Hob and Extractor, Hob and Extractor (TND 8025), Freezer (TND 8022).

# Author invites world to rewrite book by e-mail

CLARE GARNER

Frankfurt

For the first time, a book is to be published and then republished a year later after readers all over the world e-mail the author with their opinions.

The novel scheme was explained to international publishers attending the Frankfurt Book Fair at a dinner arranged last night by Andrew Wylie, the literary agent nicknamed "the Jackal" on account of his penchant for luring top-selling authors such as Salman Rushdie and Ben Okri from rivals.

Esther Dyson, the as yet unknown author in question, gave the assembled 125 representatives from 20 different countries a taste of her first book.

*Release 2.0: Second Thoughts About the Digital Age* will be written and published by next October. It will be published simultaneously in 20 languages and each book will contain the web site address. Seven months later, after the book has been "kicked around the place like a piece of software" by Internet users around the world, it will

be rewritten, ready to be republished in June 1998.

"Release 2.1 will be a new book, based on Release 2.0 but different," said Mr Wylie yesterday. "It's very like releasing a novel and people saying, 'Mr Amis, I don't like the way you presented these characters. I want you to grow this one and turn this one grey. Just as a software company revises its products to provide software users with a better product, so she [Ms Dyson] will revise the book. My God, we're going to provide reader satisfaction."

Ms Dyson, 45, and described by the *New York Times* as "the most powerful woman in the Net-craft", could become the latest publishing sensation. Sources close to Mr Wylie expect worldwide advances outside the United States to total more than £1 million, a figure on par with amounts secured for non-fiction books such as *The Road Ahead* by Bill Gates, the founder of Microsoft Corporation. The prospect is not unimaginable bearing in mind Mr Wylie's previous publishing feats (he recently made Martin

Amis an estimated £1.5 million for his novel, *The Information*), but it remains to be seen if he can reap in the same sort of sum for an unknown writer.

Ms Dyson's 70,000-word book will be in the form of an extended essay and will explain the implications of the Internet for society and government. Ms Dyson has her own company in the States called EDventure, through which she publishes *Release 1.0*, the computer industry's leading chronicle of analysis and insight.

US rights to the book were bought a couple of weeks ago by American publisher, Broadway, for an undisclosed sum.

The auction for the book will open at 8.35 am today.



Million pound atlas: Sotheby's is to sell a group of early maps more than 400 years after their creator, Gerard Mercator, designed the first realistic map of the world. Mercator's work became the lynchpin of navigation. Photograph: Tom Histon

**BT cut 10% off national daytime calls.**



## Car-park drama at Glyndebourne

Glyndebourne opera house has been given six months to dig up a car park which it laid without planning permission in an area of outstanding natural beauty.

The car park was built so that opera lovers could enter the theatre, near Lewes, East Sussex, without getting mud on their shoes or on skirt hems.

The Federation of F. Meat Wholesalers said that their early warning to the Government in 1994 to be justified. Peter Set, general secretary of the federation, said: "It has been big on ministers that because you want an number to be true, doesn't mean that it is." He added: "It's like a not a problem. Rides on the car park, because a sailing timetable is not to be as high as Japan."

"We understand that storage capacity in the hill now running out," said Scott. "The public need something akin to the Death [So] many more old storage do not wish to provide a standardised access to where there is free capacity intervention fund, as it turned out."

Councillor Vic Tomkinson, chair of Lewes Council's northern area planning committee, said after the meeting: "When they covered the field over, the reason they gave was that the season was approaching and they needed a car park."

"They needed planning permission for what they have done. It is an absolutely abominable stretch of tarmac which goes across the hillside... They do seem to have a cavalier attitude to the planning regulations," he said.

"With the opera they are doing something admired around the world... If they had co-operated with us we could have got something which looked better than this."

A spokesman for Glyndebourne said: "We don't feel we are able to comment until we receive official notification from the council."

**The art of the cover-up**  
By Richard Saker  
From *Financial Times*  
Page 10

It costs you nothing.  
To a dog it could mean  
everything.

Every time you use The Dogs' Home Battersea MasterCard® Card, you will be helping ensure that unwanted dogs get fed, exercised, loved and protected. It costs nothing to apply for or use, yet, it offers you these excellent benefits:

- Fee free for the first year and every year if you make purchases exceeding £2,000 during the course of the preceding year\*
- Up to 50 days' interest-free credit
- Up to £80 saving if you transfer your existing card balance
- FREE Purchase Care cover†

Simply use your new MasterCard for 20 months, and Bank of Scotland® will donate £7.50 to The Dogs' Home Battersea. What's more, every time you use it, they will also forward a percentage of your spending.

The Dogs' Home Battersea  
Now you can help a friend every time you spend.  
For an application form call FREE on

0800 371 509

Or return the coupon to The Dogs' Home Battersea MasterCard, FREEPOST RG2 222, Reading RG1 1BR.  
Full details will be provided. APR 17.9% (18.9% for Cash Advances).  
\*Even if you do not spend £2,000 in the year, the fee is just £7.50.  
†Subject to full policy conditions on application. For full details, call 0800 371 509.  
Bank of Scotland, Card Services, Domestic Business Park, Donnington, Wiltshire, SN7 1QH. Credit Cards  
Bank of Scotland is a registered bank listed in The Governor and Company of the Bank of Scotland.

Please send me an application form for The Dogs' Home  
Battersea MasterCard.

Name \_\_\_\_\_  
Address \_\_\_\_\_  
Postcode \_\_\_\_\_  
Telephone \_\_\_\_\_  
Country \_\_\_\_\_  
Registration Number \_\_\_\_\_

Major discounts available on daytime and permanent line rental with BT's Level 1 Business Choices® discounts you can save an additional 10% off BT's standard line rental discounts. To apply for BT's Business Choices® discounts, ring the BT Business Choices® team for your free savings check-up.

Line rental	Business Choices® discount	% Reduction	After Business Choices® discount
£10.00	£10.00	10%	£3.00

October 8th. Massive discounts. BT Freefone 0800 800 800

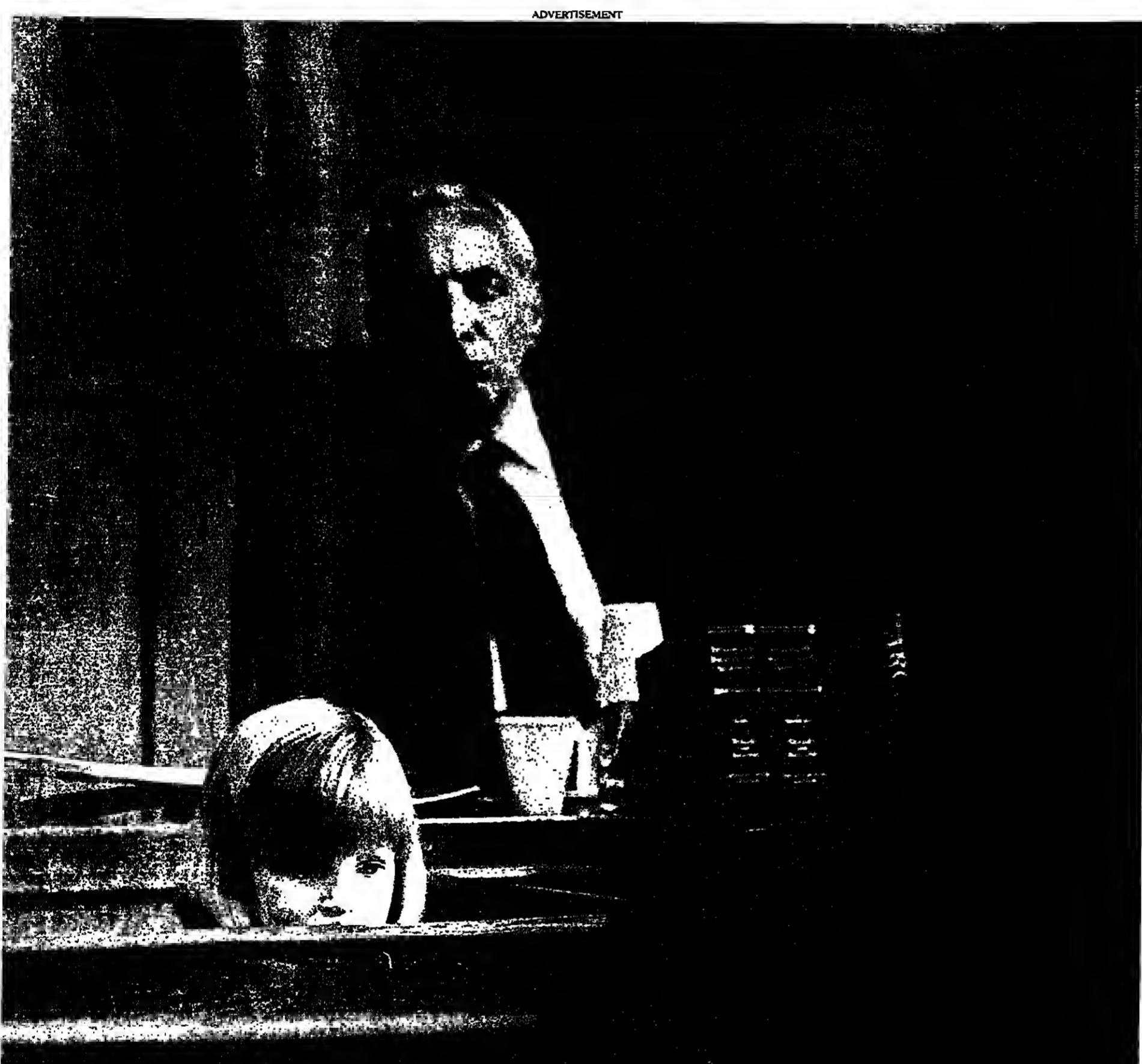
\*MINIMUM CHARGE PER CALL. DIRECT DIALED CALLS ONLY. EXCLUDES BT CHARGE CARD, BT PUBLIC PAYPHONE CALLS AND CALLS TO MOBILES. QUARTERLY SITE FEE PAYABLE £5 IEE VAT FOR BUSINESS CHOICES LEVEL 1.

## Alas, poor Hamlet, haunted by a cast of chubbies



Stand-in: One of 42 life-size statues commissioned by the Oxford Stage Company for its production of Hamlet at the Lawrence Bailey Theatre, in Wakefield, the company's new northern base. Called "chubbies", they will represent Hamlet's ancestors on stage. Photograph: John Angerson/Guzelian

ADVERTISEMENT



## THE MAN WHO RAPED THIS LITTLE GIRL HAD THE BASIC RIGHT TO A PHONE CALL. WE COULDN'T EVEN OFFER HER THAT. 10,000

children phone ChildLine every day. Around 7,000 of them don't get through. That's thousands of children - many desperate, terrified, abused - whose calls go unanswered. All because we don't have enough phone lines. Last year we counselled over 90,000 children. Over 21,000 of them had been sexually or physically abused, or both. We need your help. To day for more phone lines and train more counsellors. To answer every child's call the first time they ring. Please let this be one call for help that doesn't go unanswered. If you can move a donation, please fill out this coupon and phone 0800 10 1996.

Whatever you can spare will help spare a child's suffering. £12 will help us to comfort and counsel one more child for an hour. £48 will help us support and protect four children. Here is my gift of: £12 £24 £36 £48 £ Other £ \_\_\_\_\_ Please make your cheque/postal order payable to ChildLine or, if you wish, you can make your gift by Access/Visa/American Express/CAF CharityCard (please delete). Card no. \_\_\_\_\_ Card expiry date \_\_\_\_\_ Signature \_\_\_\_\_ Name \_\_\_\_\_ Postcode \_\_\_\_\_

ChildLine is a registered charity, number 101012. If you are a child and want to talk to ChildLine please keep trying if you can't get through, or write in confidence to the FREEPOST address. You have the right to advise us if we send you further communications from organisations with whom we co-operate. Reg. Charity No 1002758. This advertisement has been made possible by Spar (UK) Ltd and an anonymous donor.

# Medical schools hit by drain of doctors to NHS

LIZ HUNT  
Medical Editor

One in 10 professorial chairs in British medical schools are vacant and scores of other teaching posts are unfilled because universities can no longer afford to match NHS salaries for doctors.

Dr Sandy Macara, chairman of the British Medical Association's Council, yesterday appealed to the Prime Minister to intervene in the "unprecedented crisis" facing medical education.

Clinical academics - doctors who spend half their time on research and teaching, and half in hospitals - account for 10 per cent of the NHS medical work-

### British Medical Association meeting in Istanbul

force behind it," Dr Macara said. Posts in anatomy and physiology, for example, which were previously held by doctors, are also now going to scientists with no clinical experience.

Death and disability from a life-threatening form of brain haemorrhage could be avoided if more GPs and hospital doctors recognise the common warning sign, it was claimed.

A fifth of patients who suffer a sub-arachnoid haemorrhage had sought medical help for a sudden, agonising headache (SAH), the classic symptom, but were not referred to hospital immediately. Dr Christof Toulias, a trained neurosurgeon from Walsgrave Hospital in Coventry told the BMA conference.

When these patients were eventually admitted to hospital, their condition was worse and their prognosis poorer than for those with SAH who had been referred immediately.

A sub-arachnoid haemorrhage occurs when a weak blood vessel ruptures in the brain. It affects 10 in 100,000 people. The bleeding and resulting build-up of pressure can cause devastating brain damage, leading to physical and mental disability, or death.

Initial leakage of blood is often accompanied by an SAH which can last a day or weeks, and if operated on at this stage and the weakness in the blood vessel repaired, neurological damage can be prevented.

## 'Yuppie flu' loses medical status to chronic fatigue

SUSAN EMMETT

Chronic Fatigue Syndrome, previously labelled as the debilitating illness ME or "yuppie flu", is psychological and physical but is not linked to any social class or occupational group.

A report yesterday by the Royal Colleges of Physicians, Psychiatrists and General Practitioners, showed that there is no doubt that CFS is a common condition affecting 1 to 2.5 per cent of the population.

The term ME has been officially derecognised by medical experts, who said it led to confusion and a wrong approach to the problem of chronic fatigue.

The name ME - myalgic encephalomyelitis - implied an inflammation of the brain or spinal cord, when there was no evidence of such a clear link.

There are no social, geographical or environmental factors linking sufferers. "It isn't yuppie flu. It affects all classes," said psychiatrist Dr Simon Wessely. "The previous stereotype of the upper-class professional is just that, a stereotype."

As an illness, CFS is defined by six months of severe fatigue made worse by exertion.

There are still no medical explanations for the illness, and no evidence that it is linked to common viral infections, except for the fatigue following glandular fever. While viruses might trigger CFS, experts can not prove that persistent viral infection accompanies persistent fatigue.

Findings show there are both psychological and physical elements to the illness and that doctors should adopt a more holistic approach. "To try to distinguish between a physical illness and a psychological illness is not just wrong, it's meaningless," said Dr Robert Kendall, president of the Royal College of Psychiatrists.

Treatments using anti-depressant drugs generally prove unsuccessful, and the report calls instead for joint medical and psychological treatment such as cognitive behaviour therapy - a form of counselling where a patient's needs and activities are assessed and controlled by specialists.

## Driver 'hid body of Celine in his lorry'

The French hitchhiker Celine Figard was raped and strangled by a lorry driver who hid her body in his cab for 10 days, a court was told yesterday.

Self-employed lorry driver Stuart Morgan, 37, denies murdering Ms Figard between 18 December last year, the day before she disappeared, and 31 December, the day after her naked and battered body was found in woodland in Worcestershire.

Mr Morgan, of Parkstone, Dorset, sat taking notes as Mr David Farmer QC, told the jury at Worcester Crown Court of the allegations against him.

Ms Figard, a 19-year-old accountancy student from Ferrières-les-Sœy, eastern France, wanted to come to Britain to improve her English. In the summer of 1995 she had worked as a waitress in a Hampshire hotel where her cousin, Jean Marc, was a trainee manager. Ms Figard left France for England again on 15 December.

On 19 December she was dropped at the Chieveley service area on the M4 near Newbury, Berkshire. Shortly afterwards, Mr Farmer said, Ms Figard got into a white Mercedes lorry.

Ms Figard's body was found 10 days later in woodland on the A449 at Hawford, Worcestershire. She had been raped, beaten and strangled.

The prosecution alleges that Mr Morgan killed Ms Figard and kept her body hidden behind the driving seat of his lorry over the Christmas period. Mr Morgan then drove in the lay-by and left Ms Figard's body, altering his tachograph record to conceal the trip.

The trial continues today.

The Labour Party exists to further the interests not of the few but of the many, the broad majority of the British people. That is its purpose.



Call our 24-hour membership hotline. Please quote ref. C23  
**0990 300 900** Labour

National call rates apply. Calls should cost no more than 10p per minute.

مكتبة من الأصل

force behind it. Dr Mac said Posts in addition to physiology, for example, are Wee previously held by doctors are also now coming to see with no clinical experience. ■ Death and disability from life-threatening form of haemorrhage could be averted if more GPs and hospital factors recognise the danger warning sign, it was claimed. A fifth of patients who had sought medical help suddenly, uncoiling headache (SAH), the classic symptom of aneurysm.

such as, unconsciousness, head-  
ache, etc., the classic symptom  
were not referred to hospital  
immediately. For a history to  
a trained emergency surgeon is  
Walsgrave. The patrol in Cam-  
bridge told the R.N.V.R. complete  
"When these patients are  
eventually admitted to hospital  
their condition was worse  
than prognosis is possible for  
those with S.M.I. who had  
received immediate treatment."

A sub-acute form has flange events when a blood clot ruptures from the brain. It affects 10 in 100 people. The bleeding and swelling build up of pressure can cause devastating damage to the brain and result in death or long-term disability.

and the operation of the law  
and the weakness in their  
effort to prevent it from  
damaging society.

—  
lu' loses  
status to  
fatigue

As a rule, I sold my patients the best available drugs, with the author's blessing. There are no medications I like more than those which are obtainable without a prescription. The latter are both simple and effective. We have now 27000 prescriptions on file, and I consider that perhaps one-half are examinations, prescriptions, findings, or documents which ought to be given to the physician before the patient adopts a new physician. I have found that many physicians and pharmacists are not particularly interested in giving me prescriptions, and I have had to insist on the right of the physician to prescribe. I have had to insist on the right of the physician to prescribe.

Reactions of the  $\alpha$ -ketone group  
with nucleophiles, and the  
influence of the substituents  
on the reactivities of the  
ketone groups in the  
series of compounds I-IV.

Here a reader may  
find all that  
will be of use.

where he is now  
in, we are told, a  
large and  
handsome  
house, and  
that he is  
well and  
prosperous.

the press conference at the  
Margate Labour Club, he  
kept his hands behind  
his back, and as he  
spoke the Labour members  
began to jeer and hiss.  
Many in the audience  
laughed and jeered. As he  
spoke, attention was drawn  
to the contrast between the  
old and the new Labour Party.

## ପ୍ରକାଶନ ପାତା



# Everything. Everywhere.

# **NOKIA 9000**

As soon as you open the new Nokia 9000 Communicator, new and almost unbelievable possibilities emerge. Who could fail to be impressed by the first ever GSM mobile phone and palmtop computer to be combined in one slim, portable and highly desirable package? Its capabilities are simply astonishing. Call up a name and number from the integral address book and Personal Organiser, then fax a note or send an e-mail while you're still on the move. Quietly browse the Internet, set the flexible messaging system to field your calls while you're in a meeting... or simply make a phone call. Amazingly, all with one pocketable lightweight device you can carry everywhere. The new Nokia 9000 Communicator. So simple to use, it makes the mobile office a reality. Call 0990 002110 today for a brochure.

**NOKIA**  
CONNECTING PEOPLE

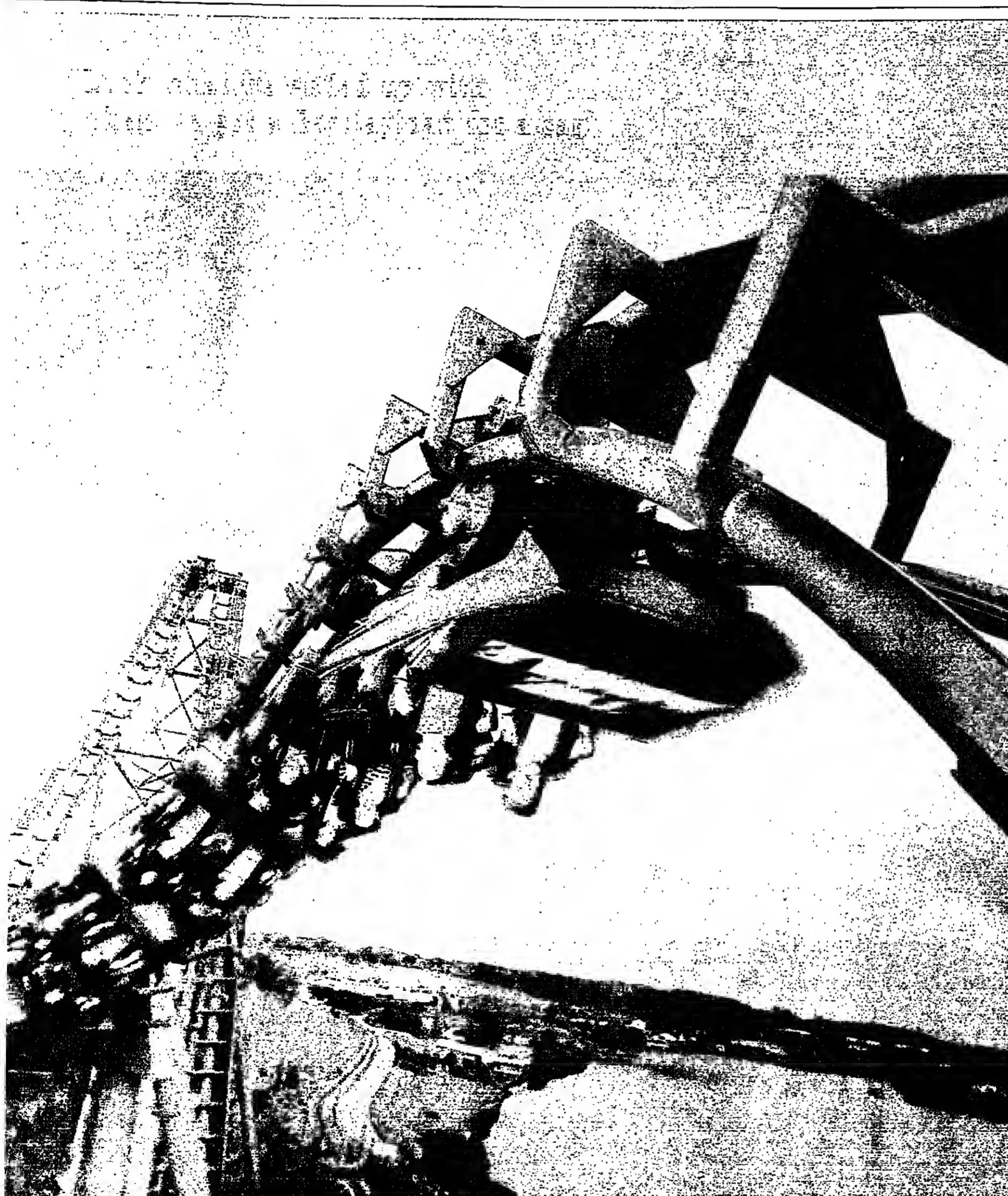






Religious resistance: Monks pray at Sera monastery in Tibet

Photograph: Robert Nickelsberg



## Peking's poison fails to touch Tibetan hearts

Shigatse, Tibet — In the markets of Tibet, it is possible to buy a gold tooth. Displayed in glass cases, the teeth are arranged together like a Buddha's enigmatic smile. Buying a gold tooth is not for vanity but for protection. If the gold turns black in your mouth it means your companions are trying to poison you.

Poisoning has traditionally been a way of settling scores in the high Himalayas, and those Tibetans who can afford it like to flash a little gold. Lately, it is not just the Tibetans who are worried about poisoning but the Chinese, too.

When the Chinese last November enthroned a six-year-old Tibetan boy as an alternative spiritual leader to the exiled Dalai Lama, they misread Tibetan outrage over this move. The boy, known as the Panchen Lama, is supposed to reside at the monastery of Tashilhunpo,

China's attempts to foist its Panchen Lama (far right) on the Buddhists have led monks to rally to the Dalai Lama's choice (right), writes Michael Dempsey

in Shigatse, 120 miles west of Lhasa. But the Chinese are so worried about threats to the boy's life that in February he was moved secretly to a safe house in Peking. Tibetan activists said.

Somewhere else in Peking there is a second Panchen Lama. The Dalai Lama, from his exile home in Dharamsala, India, undertook a mystical search to find the reincarnation of the last Panchen Lama. The Chinese Communists were also madly hunting for the same boy.



But when the Dalai Lama in March 1995 announced that he had found the Panchen Lama who, like the Dalai Lama is considered by Tibetans to be a living god, the Chinese changed strategy. First they arrested the Dalai Lama's boy, Chedun Choekyi Nyima, and his parents.

Then the Communists held a lottery between several candidates in which their boy was chosen. Most Tibetans think this was fraud and revert the Dalai Lama's choice.

Exiled Tibetan officials are worried that the Chinese may have locked up the boy considered by most Tibetans as the true Panchen Lama in a psychiatric hospital. Only a month ago the Chinese admitted in Geneva for the first time that the Dalai Lama's choice of Panchen Lama was being held with his parents in "protective custody". The Chinese said they feared the boy might be kidnapped by Tibetans' "separatists".

In Tashilhunpo dissent still smoulders. Only two of the monastery's many shrines displayed portraits of the Chinese boy. One of these shrines had an 85ft gilded Buddha. Near its feet I saw a photograph of the new Panchen Lama. The monk dismissed my question with smile. "Oh, that?" he replied. "That's the Peking Panchen Lama."

In trying to foist their Panchen Lama on the Tibetans, the Chinese have only succeeded in heightening resistance to their rule. One resident of Lhasa said: "Nobody believes in the Chinese Panchen Lama. The Chinese are afraid to bring the boy out in public, or even keep him here in Tibet. If they thought they could replace the Dalai Lama with him in

Tibetans' hearts, it isn't working." Throughout Tibetan monasteries, thousands of Communist cadres have been at work over the past two months trying to coerce the monks and nuns to sign pledges rejecting the Dalai Lama and accepting the Chinese Panchen Lama. In Drepung monastery, outside Lhasa, where more than 180 Communist "re-educators" are encamped, they brought their own cooks. It is thought they were wary of the monks' cuisine. In protest against these daily harassments, most of the Tibetan clergy are refusing to sign the oaths. At least 10 monks have been arrested over the past two weeks.

Meanwhile, rumours continue to spread through Tibet's hamlets and high, cloud-swept plateaux. Even without poison, the health of the Chinese pretender is supposed to be failing. Some Tibetans also swear that the boy's parents, both Communist cadres, were struck by a crisis of conscience and have approached the Chinese leadership requesting that their son be allowed to step down. These may just be wild tales. But they illustrate how deep Tibetan resentment runs against the Chinese, who invaded this Himalayan kingdom in 1951.

Tibetan exiles suspect that the last Panchen Lama, who died suddenly in 1989 after spending a dozen years under house arrest, may have been poisoned by the Chinese. Shortly before his death, the Panchen Lama had sharply criticised the Chinese occupation of Tibet. Tibetans believe that a high lama, after death, takes on another rebirth to continue his Buddhist teachings in an unbroken line. The Panchen Lama had never bothered with a gold tooth.

For Tibetans, the Dalai Lama and the Panchen Lama are their twin spiritual poles. The door of almost every Tibetan farmhouse is painted with a sun and moon, symbolising the country's two spiritual leaders. The Chinese attempts to pull the Tibetans into their orbit by tampering with the Panchen Lama's reincarnation have only made them more enemies.

### significant shorts

#### Kashmiri rebels offered olive branch

The National Conference Party, the largest pro-India party in Kashmir, won a sweeping majority in the first local elections in the state since a separatist revolt began in 1990, and quickly offered an olive branch to rebels. The party, led by former chief minister Farooq Abdullah, won 54 seats in the 87-member assembly. Mr Abdullah, who has lambasted separatists as Pakistani agents, offered to meet leaders of the All-Parties Hurriyat (freedom) Conference, which bands separatist groups. Mr Abdullah was chief minister when the separatist rebellion erupted. More than 20,000 people have died during the revolt, most in Kashmir.

Reuter - Srinagar

#### Suu Kyi claims 800 supporters arrested

Burmese opposition leader Aung San Suu Kyi, slipped past police barricades barring access to her home yesterday and told reporters that 800 democracy activists had been arrested. Her estimate was higher than that of the ruling State Law and Order Restoration Council (Slorc), which said 559 of her National League for Democracy (NLD) Party members and supporters had been arrested. Slorc said it had released 163 supporters ahead of an NLD congress planned for 27-29 September.

#### New US force for Bosnia

A new force of 5,000 US troops will shortly leave Germany to cover the withdrawal of the 15,000 US troops in northern Bosnia when the peace implementation force mandate expires on 20 December. The new force will remain in Bosnia for six months as the US component of I-For withdraws.

Christopher Bellamy

#### Nato ends blockade

Nato yesterday terminated its naval blockade in the Adriatic following the UN Security Council's decision to lift sanctions against rump Yugoslavia - Serbia and Montenegro - after the Bosnian elections were declared "free and fair". The naval blockade was suspended in June, following the lifting of the UN arms embargo, while restrictions on trade and travel were suspended last November. Yesterday, the decision to lift the sanctions completely was welcomed in Belgrade, but Russia and the US still disagree about further measures to re-admit rump Yugoslavia to the world community. US

Ambassador to the UN, Madeleine Albright said Serbia-Montenegro would have to make substantial progress in Kosovo, co-operate fully with the International Tribunal in the Hague and settle other issues with neighbouring states before it could win full respectability.

Christopher Bellamy

#### Himalayas call to mad cows

The World Hindu Federation has urged Switzerland to drop its plan to slaughter 20,000 cattle and offered the sacred beasts a happy home in the Himalayas if Bern gave it the cash earmarked for a "mad cow" cull.

Reuter - Zurich

AA

JOIN NOW FROM  
JUST £39

To join, call free now on  
0800 444 445  
and ask for extension 6772.  
Immediate cover available.

© 1996 AA Publishing Ltd. AA Publishing Ltd. is an independent company. Subject to stock and full payment. Please contact AA Publishing Ltd., 1000 London Road, London SW15 2JL, for details of the AA Publishing Ltd. Annual Subscription.

مكتبة الأصل

**Middle East crisis:** Peace talks lose momentum in Washington as negotiators fail to agree timetable for withdrawal from Hebron



Flashpoint: Israeli borderguards searching a Palestinian outside Hebron yesterday

## Clinton charm fails to heal

RUPERT CORNWELL  
Washington

The emergency Middle East summit was drawing to an end here in apparent failure yesterday, as both Israelis and Palestinians indicated scant or no progress on key issues, most notably a firm timetable for a withdrawal of Israeli troops from the West Bank town of Hebron.

The last chance of avoiding a complete breakdown, of perilous consequence to the entire "peace process" in the region, lay in a White House lunch attended by President Clinton, The Israeli Prime Minister, Benjamin Netanyahu, the PLO leader, Yasser Arafat, and King Hussein of Jordan – in the hope that the leaders might succeed where all-night negotiations of officials had failed.

The lunch was delayed to allow yet more talks, but developments were uncertain. Mr Clinton was expected to issue a statement at the summit's conclusion, but it was not clear whether a press conference would be held, and, if so, who would take part.

But the prospects of any substantive agreement seemed slim to non-existent. Palestinians reported that "nothing has been resolved" on any of the disputes

dividing the two sides. Mr Netanyahu continued to insist that Israel wanted to continue talking – even as his officials revealed that Israel was rejecting demands by the US and the Palestinians to set a firm early date to leave Hebron.

"We need security arrangements and that is the problem," an Israeli spokesman said, echoing his Prime Minister's stance before the parties arrived here on Monday. "Serious differences remain," was the comment of one senior US official, who also left no doubt that the going was sticky in the extreme.

Yesterday's discouraging news was a sharp corrective to the hopes fanned by an unexpectedly long and direct session between Mr Netanyahu and Mr Arafat on Tuesday, that the antagonists might be poised to make real progress. But all the sticking points remained, according to Palestinian officials; not just Hebron, but easier entry for Palestinian workers with jobs in Israel and a new airport in the Gaza Strip.

Nor was there any confirmation of a deal to set up an international commission on the future of the tunnel near the Al-Aqsa Mosque on Temple Mount, whose opening was the spark that ignited days of violence in the West Bank, as it chooses, but cannot end it as it chooses," he said.

## Palestinians wait for war in ghost city

**Hebron** — People here are not expecting peace. Aiman Said normally sells spices from a stall in the old city. "I expect we will get nothing out of the summit. America is supporting Israel all the time. In Hebron things are getting worse every day," he said.

Ever since the Israeli army clamped a 20-hour-a-day curfew on this West Bank city, lifted only between 5am and 8am, Mr Said has not been able to set up his stall. He says: "Most of the time we sit at home watching the news." At this moment an Israeli jeep drove down the road and a loudhailer blared: "Go home. Those who break the law will be arrested."

Mr Said ran into an alleyway and hid until the jeep had gone. Later he asked if he thought the Palestinian *intifada* (uprising) would restart? The spic merchant, a young-looking man in his thirties, shrugged his shoulders and said: "Since peace started in Oslo [in 1993] we have had no peace."

Others in Hebron are more forthright about what will happen if Yasser Arafat, the Palestinian leader, brings nothing concrete back from Washington. "The Palestinians have rediscovered the *intifada*," says Khalid Amayreh, a journalist with Islamic sympathies in his office above Hebron's deserted vegetable market. "Seventy people were killed last week. After such sacrifices you can't tell people to go back to work. If Arafat fails, people will go back on to the streets."

Pent up in their houses for six days, the streets empty apart from Israeli soldiers and armed Jewish settlers. Palestinians in Hebron feel the diplomatic negotiations of the last three years have brought them nothing. "What you have got here is acute frozen rage, a powder-

keg, a tinder-box," says Mr Amayreh. "There will be spectacular violence, out just in the West Bank but in Tel Aviv, Jerusalem and Petah Tikva."

Hebron is the one large city of the West Bank, apart from East Jerusalem, from which the Israeli army did not withdraw at the beginning of the year. The so-called redeployment was first delayed because of 450 militant Jewish settlers in the old city. Then it was postponed because of the suicide bombs planted by Islamic militants in February and March, and then again because of the massacre of 64 Jews by Palestinians in 1929, expected war.

Rafi Chasken, another settler, asked if he felt any sympathy for the 100,000 Palestinians not allowed to leave their homes: "No. If they are shut in their houses it is because they are a danger to us."

He claimed that Israel had built many schools for Palestinians in Hebron. On a hill a hundred yards away, stood an empty girls' primary school which settlers tried to close earlier in the year by spitting and screaming curses at the children.

So far, there have been few protests in Hebron, apart from some stone-throwing yesterday morning. The only demonstration was in the nearby Palestinian town of Doura, where, unlike in Hebron, Palestinian police have control of local school. It is a city of ghosts.

In the street outside Mr Natsheh's office are two teenagers who have broken curfew to make a complaint to the mayor, Abed Rauf Awewi, 14, and Bajat Abed Wahab Awewi, 16. They say that two days before they had been sitting outside their house when they were accused of throwing stones and arrested by Israeli border guards.

A sergeant was watching a march assemble in support of Mr Arafat. Asked what he would do if Israeli soldiers opened fire on the demonstrators, he said: "We have no orders, but we will not stand by and watch – even if we are killed."

## Fire rages in Kruger nature park

JULIA BOURHILL  
Reuter

Johannesburg — A bush fire has devastated at least a quarter of South Africa's leading tourist attraction, the Kruger National Park. Thousands of animals and birds had probably died in the fire, the worst in more than 40 years. Authorities at the Kruger, which draws 700,000 tourists annually, said the blaze was sparked by lightning a week ago and compounded this week by high temperatures and gale force winds.

The park, founded in 1926, covers 7,700sq miles of bush, half the size of Switzerland, and has the greatest diversity of wildlife of any park in the world. The fire has burned 25 per cent of the Kruger, around the safari camp in the southern part of the park.

## 70 die as Boeing plunges into sea

CHRISTIAN WOLMAR  
Transport Correspondent

The third accident involving a Boeing 757 within a year appears to have killed all 70 people on board a Peruvian plane which crashed into the sea yesterday soon after take-off from the country's capital, Lima. An AcroPeru spokeswoman said the pilot of flight 603 reported mechanical failure five minutes after the aircraft took off in heavy fog, and contact was lost 15 minutes later.

The aircraft, which was bound for Santiago, was carrying 61 passengers, mostly Chilean, and nine crew. The Peruvian transport minister, Elsa Carrera de Escalante, said tape-recordings of the pilot suggested computer failure was to blame.

The Boeing 757, which first came into service in 1983, had an unblemished safety record until 20 December last year when an American Airlines 757 en route from Miami crashed into a mountain in south-west Colombia, killing all but four of the 167 people on board. A navigational error by the pilot was blamed.

Six weeks later, a Boeing 757 carrying charter passengers to Germany, crashed into the sea soon after take-off from the Dominican Republic, killing all 189 on board. A fault in the air-speed indicator, possibly caused by birds having nested in an inlet, and pilot error was blamed for the accident.

There are 723 Boeing 757s flying in the world and the one involved in yesterday's crash was the 505th to be built. Boeing was last night sending its own investigators to assess what had gone wrong.

FROM £9,620 TO  
£13,820. DAEWOO  
AUTOMATICS  
ARE NOT  
AUTOMATICALLY  
EXPENSIVE.

£9,620. What would only buy you  
a small automatic from most manufacturers will

buy you a family sized automatic at Daewoo.

And despite the small sized price all Daewoos

come with our family sized manifesto as

standard. Unlike many manufacturers, you

don't have to look to the top of the range to

find an automatic. Daewoo offer them at

every level. The 3,4 and 5 door Nexia range,

starting at £9,620, comes with a 4-speed

automatic transmission which uses electronic

control to ensure a smooth, enjoyable drive.

From just £12,320 the Espero saloon range offers

the same transmission system but also gives you a

### DAEWOO MANIFESTO

#### 1. We deal direct.

More for your money as standard on every Daewoo model:

Electronic ABS Side impact protection  
Driver's airbag Mobile phone  
Power steering  
Engine immobiliser  
Security glass etc.

#### 2. Hassle free buying

No salesman on commission Number plates included  
Fixed pricing Full tank of fuel  
No hidden charges 12 months road tax included  
Delivery included

#### 3. Complete peace of mind

3 year/60,000 mile comprehensive warranty  
3 year/60,000 mile free servicing including parts and labour  
3 year Daewoo Total AA Cover

6 year and corrosion warranty  
30 day/1,000 mile money back or exchange guarantee

#### 4. Courtesy servicing

Free courtesy car offered  
Pick up and return of your car (Mainland UK only)



AP Photo/PA

# Gun salutes, grateful thanks ... a perfect goodbye

Britain lowered the flag on its other Chinese colony 60 years ago in model fashion. **Teresa Poole** reports.

It was just as Britain wanted. The day before the handover, local Chinese leaders thanked the departing top British colonial administrator, presenting him with a symbolic bowl of pure water. The next morning, the British withdrawal was handled with pomp and mutual respect. Buglers, military bands, and two 15-gu salvos marked the raising of the Chinese flag, which for a few hours flew beside the British one. The chairman of the Chamber of Commerce spoke of how the British officials had "loved the people". The incoming Chinese commissioner said the colonial power had ruled wisely, and warned "evil-disposed persons" not to cause mischief during the transition period.

Finally, at sunset, the Union flag was lowered, and the British team sailed peacefully out of the harbour. Thus ended a short but fairly honorable chapter in British colonial history.

All this may sound like some fantasy dreamed up by Chris Patten, the Governor of Hong Kong, as he contemplates his departure from Hong Kong on 30 June next year. But it is not. For, in the sensitive business of giving parts of China back to the motherland, Mr Patten has an illustrious predecessor. On 1 October 1930, it was Reginald Johnston, the last British Commissioner of Weihaiwei (and a former tutor of the last Emperor), who handed back the corner of Shandong province, east China, after 32 years of colonial rule.

On 1 July 1898 China granted leases for two areas to the British. One was Hong Kong's New Territories, which was turned over to the British for 99 years. The other was Weihaiwei, an area of 288 square miles on the north-east tip of Shandong province with 128,000 inhabitants, which Britain wanted as a naval base.

Weihaiwei was leased for "as long as Port Arthur shall remain in the occupation of Russia". Russia lost Port Arthur to the Japanese in 1905, but it was not until 1930, after eight years of protracted negotiations, that Weihaiwei was returned to China.

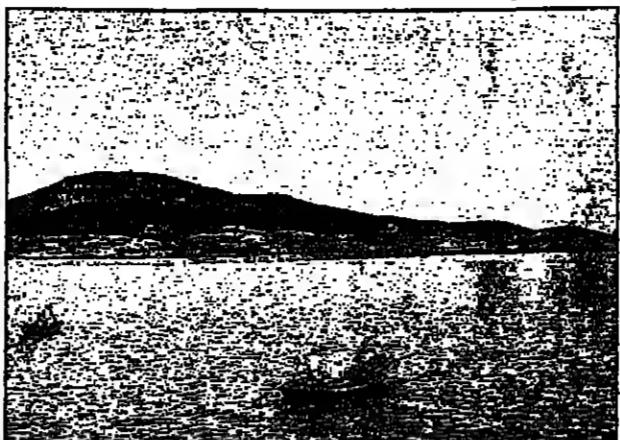
Like Hong Kong, Weihaiwei was run as a duty free trading entrepôt, and had a steady trade in ground nuts, bean-oil, silk, and salt. The pleasant climate also made Weihaiwei was a popular summer recreation stop for the British Navy, and missionaries represented the rest of the small foreign community.

Relations with the Chinese in Shandong province were generally good. According to Dr Pamela Atwell's study of the period, *British Mandarins and Chinese Reformers*, the first civilian commissioner, James Lockhart, was in 1903 invited to a banquet in the provincial capital where his host's band "played foreign music throughout dinner and whenever it had the least excuse, God save the King". However, British commitment to Weihaiwei was always in doubt. In contrast with Hong Kong, the local inhabitants kept their Chinese nationality, and as early as 1902, London abandoned plans to construct a full naval base.

The British legacy these days is rather limited, even though Weihai (as it is now called) is, somewhat improbably, "twinned" with Cheltenham. A simple 32ft-high white marble column com-



Legacy of colonialism: A church (left), and one of the villas built for British naval officers on Liugong Island off Weihai (centre). Photographs: Teresa Poole/Imperial War Museum



Liugong Island, where British naval officers built fine villas with terraces and conservatories up on the hillside. At one impressively proportioned bungalow, the Chinese Navy inhabitant laughed: "Chinese houses only have a door at the



front. The British have a door at the front and also at the back. In fact, there are doors everywhere. You can always get out!"

A visit to Weihai poses the question of what parallels can be drawn between the two handovers. In 1930, many of the

government officials quadrupled, land prices collapsed and Weihaiwei lost its status as a free port. More positively, the Chinese put greater effort into education, campaigned against footbinding, and tried to shut down the opium dens. But Chinese rule proved short-lived. On 8 March 1938, the Japanese invaders took Weihaiwei and the city was once again under foreign rule.

For the past decade, Weihai life has finally started to improve with a thriving seafood industry, 4 million domestic tourists a year, a new port, and a technology development zone to attract foreign investment. Direct shipping links have opened to South Korea and Japan. At night, the skyline glows with neon trademarks such as Samsung, and South Korean visiting tourists many buildings.

Now that modernisation is catching up with Weihai, one man pondered what might have been if Britain's Weihaiwei lease had also been for 99 years. "People say, if the British had stayed, Weihai would have been like Hong Kong," he laughed.

THE  
CAT  
IS  
BACK.

BY TERRI BROWN

## Former PM shot dead in Bulgaria

ADRIAN BRIDGE

The air of crisis in Bulgaria intensified yesterday when a former prime minister, Andrei Lukanov, was shot dead in front of his home in Sofia. As police launched a search for the



Andrei Lukanov: Supporter of economic change

killer, parliamentarians across the political spectrum condemned the murder, describing it as the first political killing since the overthrow of communist rule in November 1989.

They unanimously adopted a declaration stating terrorism would not be allowed to destabilise Bulgaria and that presidential elections planned for later this month would go ahead.

Mr Lukanov, a former Communist who helped topple the

former dictator Todor Zhivkov, headed the two Socialist governments that followed Mr Zhivkov's 35-year rule. He was ousted in late 1990 after strikes and demonstrations in protest at the slow pace of reform.

Although he remained an influential Socialist MP, Mr Lukanov subsequently turned his attention to business. He became a strong supporter of economic change and was critical of Bulgaria's current Socialist Prime Minister, Zhan Videvov, who has delayed introducing free-market reforms.

Between February and April, Mr Lukanov was under security service protection following a threat on his life, but the protection was lifted when investigators felt the case had been solved. Speculation was rife yesterday as to who could have been behind the murder - and to what end. Some argued that it could have been one of the mafia-style shootings that have plagued the country since 1989; others insisted the motive had to be political.

According to Georgi Apostolov, deputy editor of the independent *Kontinent* newspaper, the killing could have been carried out at the instigation of extremists with the aim of forcing a postponement of the presidential election and of providing a pretext for the imposition of martial law.

Beneath its skin, the new Jaguar XK8 flexes muscles never seen before. It has 32 valves. It develops 290 bhp. It's the finest

دكتور الأصل

## international

# Fighting talk from Patten on democracy

CATHERINE SAMPSON  
Hong Kong

With less than nine months before Britain hands Hong Kong over to Chinese rule, Governor Chris Patten yesterday warned Peking that he would go out fighting.

In the last "state of the colony" address to be given by a British governor, Mr Patten condemned Peking's plans to scrap Hong Kong's democratically elected legislature and replace it with what he calls a "rubber stamp".

"I sincerely hope that even at this late stage, this bad idea can be thought about again. It is unnecessary as well as provocative, and we will have nothing to do with it."

At a press conference later, Mr Patten warned that if the Peking-approved legislature attempted to become a shadow government before 1997, its

decisions could be challenged in court.

Mr Patten also warned China that he had no intention of becoming a lame-duck governor. The fact that this was the last speech, he said, "does not mean that government is closing down or is going into hibernation for nine months... it is business as usual."

China has insisted that Hong Kong is an "economic city" and must not be turned into a "political city". But yesterday, Mr Patten referred to the refugee history of many Hong Kong families, and lashed out at the perception of a people are only interested in money.

Ever since 1992, when he unveiled political reforms which Peking denounced as far too radical and which Hong Kong's democrats complained were too mild, Mr Patten has been walking a tightrope. Yesterday's speech, and Mr Patten's

refusal to go quietly, is expected to infuriate Peking. Mr Patten also rubbed salt into an open wound by insisting that Hong Kong would continue to increase welfare spending, something China's Communists have condemned.

Some of Hong Kong's pro-democracy activists pouted scorn on Mr Patten's speech, saying he had promised nothing concrete to protect Hong Kong's freedoms.

Mr Patten said his greatest anxiety was not that Peking would usurp Hong Kong's freedom, but that some people in Hong Kong would undermine the territory's promised autonomy by running constantly to Peking for approval. He named no names, but Mr Patten has previously attacked figures in Hong Kong's business community, saying they have closed up to China's Communist leaders, and often ask for Peking's

blessing on matters which should have been decided in Hong Kong. Mr Patten said his greatest frustration was that he had not been able to test the popularity of his policies at the ballot box.

However, Mr Patten said he was sure Hong Kong would weather the transfer of sovereignty and come out "glittering", and added he would "stand up and cheer" when it happened.

For all the brave talk, the participants in Peking, London or Hong Kong, all are now confronting the inevitable end of the British administration. Asked whether he had any regrets about his confrontation with Peking, Mr Patten said it had been a choice between confrontation with Peking or with the people of Hong Kong. "I know the difference," he said, "between right and wrong."



Last word: Chris Patten giving his final address to Hong Kong's Legislative Council yesterday. Photograph: Reuter

# Peking orders children to take care of aged parents

TERESA POOLE  
Peking

Filial piety and respect for the elderly can no longer be relied on as the bedrock of China's traditional Confucian values. So, bowing to the reality of fast-changing social mores, China yesterday implemented a new law banning the "neglect, humiliation and abuse" of old people. Under the legislation, children who refuse to give financial support to their elderly parents can, in theory, be punished.

After more than a decade of economic reform, provision for China's growing number of over-60s often falls into a black hole between the decaying "cradle-to-grave" welfare system and a nascent plan for pension reform.

Zhang Wenfan, president of the China National Committee on Ageing, last month warned: "The traditional planned economy system and its social structures, including social guarantees for old people, will be pounded and destroyed by the market economy."

In the cities, old people mostly rely on state pensions from their former work units. But many of these state-owned enterprises are racked with debts and cannot pay salaries, let alone pensions and medical bills.

Millions of pensioners are owed money. Early this year, 71-year-old Meng Xiang and five former colleagues tried suing the Shandong Provincial Disinfecting Equipment Factory in Jinan city after not receiving their 90 yuan (£7.50) monthly pension for almost a year. But the factory was bankrupt and the local government department said it also had no funds.

In the countryside, retired farmers have no pension rights and rely on their families for support. Difficulties arise in poor areas where unemployment is already chronic, and the younger generation must leave the land to work in cities far away. Fear of old age is one of the main reasons farmers still want lots of children.

The new law for the Protection

of the Rights and Interests of Old People is supposed to define the roles of government, communities and families in looking after the elderly. For the government, the question of who will foot the bill for senior citizens is urgent. The combination of greater life expectancy and strict birth control means China is set for a faster "greying" demographic revolution than any other country in the world. The 110 million or so over-60s now account for almost 10 per cent of the population, but that will soar to more than 25 per cent by 2040, when the country will have to look after around 400 million people over 60.

Today's urban "Little Emperors", the spoilt children of the one-child policy, will in the next century be the lone providers for their parents and possibly two sets of grandparents. The problem is that in modern China, as in the West, the younger generation has other priorities.

Young adults no longer want to live in the traditional style of "three generations under one roof", especially after they get married. But even if money is available, there are very few old people's homes. One Chinese academic said: "The contribution of young people to society is lower [than the elderly] but their income is higher. The change in this economic position will definitely have an influence on the young's attitude to old people."

The new law nevertheless stipulates that most old people should remain in the care of their families, although central government and social organisations must provide a social security system for them. Developed areas ought to establish community welfare services for the elderly, it says.

When it is a question of romance late in life, the younger generation is often disapproving of new liaisons among bereaved parents. The law specifies that children of the elderly should not interfere in old people's remarriage.

# Dole strains to tar Clinton with deadly L-word

RUPERT CORNWELL  
Washington

## THE US PRESIDENTIAL ELECTIONS '96

Call an American politician a crook, a scoundrel or a liar, and it's water off a duck's back. If you really want to wound him, call him a liberal. So it is that Bob Dole, far behind in the polls, has in desperation unsheathed what Ronald Reagan dubbed "the L-word".

In the forthcoming presidential debates, Mr Dole vows daily to go after "that liberal, liberal, liberal Bill Clinton". The occupant of the White House is variously a "dyed-in-the-wool liberal", an "old-style liberal", or a "close liberal" who will show his true colours once the election is over.

In fact, the challenger is taking his cue from the Republican ideologist-in-chief, Newt Gingrich. No-one wields the L-word more brutally than the Speaker of the House. His opponents are not Democrats, but "liberal Democrats" – not to be confused with the political party recently assembled in Brighton. Sometimes he expands the term to "pathetic liberal Democrats", scarcely distinguishable from the Reds that Senator Joseph McCarthy once hunted.

Here, the original free market, libertarian and Whiggish connotations of the term have vanished entirely. (Indeed, America's Whigs were the forerunners of the Republican Party). Liberals, as depicted by Messrs Dole and Gingrich, love high taxes, big government, foreign cars and mass murderers, and would sell out the country to the UN before you can say Boutros-Ghali.

Such is the downfall of a once noble word in America's political lexicon, under whose banner John Kennedy and Harry Truman marched – not to mention this century's greatest President, Franklin Roosevelt. Today's liberalism is a faith that does not speak its name. A Democrat will call himself a "moderate", a "progressive", even "caring"; anything to avoid the L-word.

He may be an elusive target, tough on crime and values, agreeing to scrap FDR's federally guaranteed welfare for the poor, and generally stealing Republican issues by the dozen. But the Bill Clinton who opposed the Vietnam war and smoked (but did not inhale) marijuana was once the classic Sixties liberal.

Perhaps Mr Dole's last hope is to prove he still is.



Roosevelt: Happy to march under the liberal banner

doe is solid red-neck credentials. Which is why, out on the campaign trail, the Clinton grin widens and his southern drawl deepens: a good-old-boy cannot be a liberal. Yet even Clinton is not entirely safe.

He may be an elusive target, tough on crime and values, agreeing to scrap FDR's federally guaranteed welfare for the poor, and generally stealing Republican issues by the dozen. But the Bill Clinton who opposed the Vietnam war and smoked (but did not inhale) marijuana was once the classic Sixties liberal.

Perhaps Mr Dole's last hope is to prove he still is.



# Fight the last colonial fight, Sir Christopher

There has been nothing so democratic in our ownership of Hong Kong as our preparations for the leaving of it. For more than 150 years, Britain saw little reason to consult the people of Hong Kong on the governance of our wealthy little Asian colony. As next year's handover to Chinese rule has crept nearer, Sir Christopher Patten, the last Governor, has been assiduous, energetic, even strident in setting up minimally democratic structures and insisting that Peking must respect them. Is this hypocrisy? Or cheek? Or is it simply the least we could do for our former citizens before we handed them over to the world's last Communist superpower?

Sir Christopher has not always played his few cards well. But the sniping of Chinese apologists in this country, and the occasional lack of support from the Government to which he once belonged, are undeserved. The last Governor has been fighting an impossible battle. He will not get his way. Peking will abolish LegCo, the democratically elected but tediously entitled Hong Kong assembly, next year. It will impose its own hand-picked assembly and its own place-man as chief executive. But the fact that Sir Christopher's battle was fought at all will make it harder for Peking to ignore political and human rights in

Hong Kong. The democratic forces in our last significant colony have been mobilised as never before. The attention of the world has been focused on China's behaviour from July onwards. Neither are worth a great deal, but both are worth something.

The China-sympathisers, led by our former ambassador to Peking, Sir Percy Cradock, argue that Patten's obstinacy has forced Peking to become more obdurate. In other words, China would have taken a more liberal approach to a post-British Hong Kong if we had not insisted on rubbing their noses in the dangerous concept of democracy. We doubt it. The transition would have been fraught with dangers in either case. But the presence of a vocal and active democratic movement in Hong Kong – little of which existed before – should help to persuade Peking to respect Hong Kong's radically different history and political culture. These differences are understandably threatening to the Communist gerontocracy, but also vitally important to them. In the end, Peking's own best political and economic interests are served by a successful Hong Kong, and this must be a Hong Kong that remains united with the Western world although re-connected to China.

At this late stage, Patten is no longer in a position to push out the

ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL  
TELEPHONE 071-293 2000 / 071-345 2000 FAX 071-293 2435 / 071-345 2436



boundaries of liberalisation. But in his final annual policy speech yesterday he signalled his intention to kick and scream to the end to defend the advances he has made. In particular, he warned Peking that he would have no truck with its alternative, unelected assembly. He also came closest yet to stating that the scrapping after the July handover of his own, democratic infant – LegCo – would be illegal, and a direct breach of the Sino-UK joint declaration on Hong Kong. He also rejected China's criticisms of his Bill of Rights and, quite rightly, ridiculed the idea that Hong Kong people do not care about human rights or politics. Although Sir Christopher has less than nine months left in charge, he let it be known that he intends to keep his hand on the helm by setting out a series of new, supposedly non-controversial measures to improve "quality of life". The territory's democracy camp complained that this was not enough. They demanded some form of further "action" by Sir Christopher, and Britain, to warn Peking off. It is not at all clear what they seriously think Sir Christopher can do, over and above what he is doing.

Sir Percy Cradock and his ilk argue

that there is no point in upsetting the Chinese with the handover so close. But then they have never shown any inclination to hold the Chinese to the spirit, or many of the letters, of the agreements they helped to negotiate with Peking. The view of the Cradockites appears to be that our only duty to Hong Kong is economic: our final task is to leave the territory in good shape as an efficient money-making machine. That is the best hope for the territory's future, they say: to attempt anything more is not only foolish and irresponsible, but arouses impossible hopes among the populace. This ignores the community's enthusiastic participation in last year's Legislative Council election.

The reality is that economic development does not take place in a political vacuum. When life ceases to be just a struggle for existence, people begin to think for themselves, a lesson societies all over East Asia are learning (despite all the loose talk about "Asian values"). Hong Kong thrived within the stuffy, but benign anomaly of British colonial status. That does not mean it would thrive under autocratic rule from China. Under British rule, there was no democracy but there was little state control either (some might argue, too little). Despite its change of status – one might say because of its change of status – a

sophisticated and prosperous community such as Hong Kong will require considerable freedom of thought and freedom of expression if it is to thrive and grow. Direct democracy was always too much to hope for. But the fight is worth having if it persuades Peking to treat its returning daughter as a grown-up. As Peking is presumably aware, its success or failure will have a crucial bearing on a still greater ambition: the eventual re-unification of the mainland and Taiwan.

## Forget it all ...

How is it that black holes, a phenomenon we barely understand, have become such a popular symbol of our godless, negative existence? Stephen Hawking is a best-seller; *Star Trek* plays with unthinkable doom. Pessimistic doomsayers will no doubt interpret yesterday's news of a black hole sucking us toward long-distant oblivion as confirmation of the ultimate futility of life.

But look on the bright side. Deprived of heaven and hope, we could fantasise about a universe on the far side of darkness where life is free of millennialism, party conferences, and all kinds of other political pretension.

## LETTERS TO THE EDITOR

### Neglected victims of the Holocaust

Sir: As a child survivor of Belsen concentration camp, I fully endorse the points raised in the letter "Use Nazi gold to ease plight of survivors" (1 October).

The youngest living child survivor of Belsen I know personally will be 54 years old this month, the youngest hidden child survivor of the Holocaust from Holland that I know personally is a mere 53. Both, I am confident, have many more years to live with the trauma of their experiences and the loss of beloved parents, friends and relatives.

We are, indeed, a neglected group. In the immediate postwar years it was felt that we were too young to have suffered, and that we would soon recover from our experiences.

Time has proved this heartless view not to be true. With the process of ageing, and the gradual natural demise of the few surviving relatives we still had after the war, the trauma of our experiences has been reinforced.

Let action be taken now to provide the means by which we might gain the respite so earnestly sought by all of us who still suffer daily from the consequences of the Holocaust.

JACK SANTCROSS  
Wembley Park, Middlesex

### Blame judges, not juries

Sir: Glenda Cooper ("Twice confused men and women", 30 September) advocates removal of the jury system unless jurors can comprehend the meaning of two basic tenets of our criminal law system, namely the effect of good character and the meaning of reasonable doubt. This is an argument for the removal of judges who have not the capacity to explain sufficiently such basic and simple concepts to a jury.

The rest of the article sets out excellent reasons why juries must remain, but potential jurors should be treated with more respect and not just paid court to when they are in the course of trying a case.

MICHAEL BECKMAN QC  
Lincoln's Inn  
London WC2

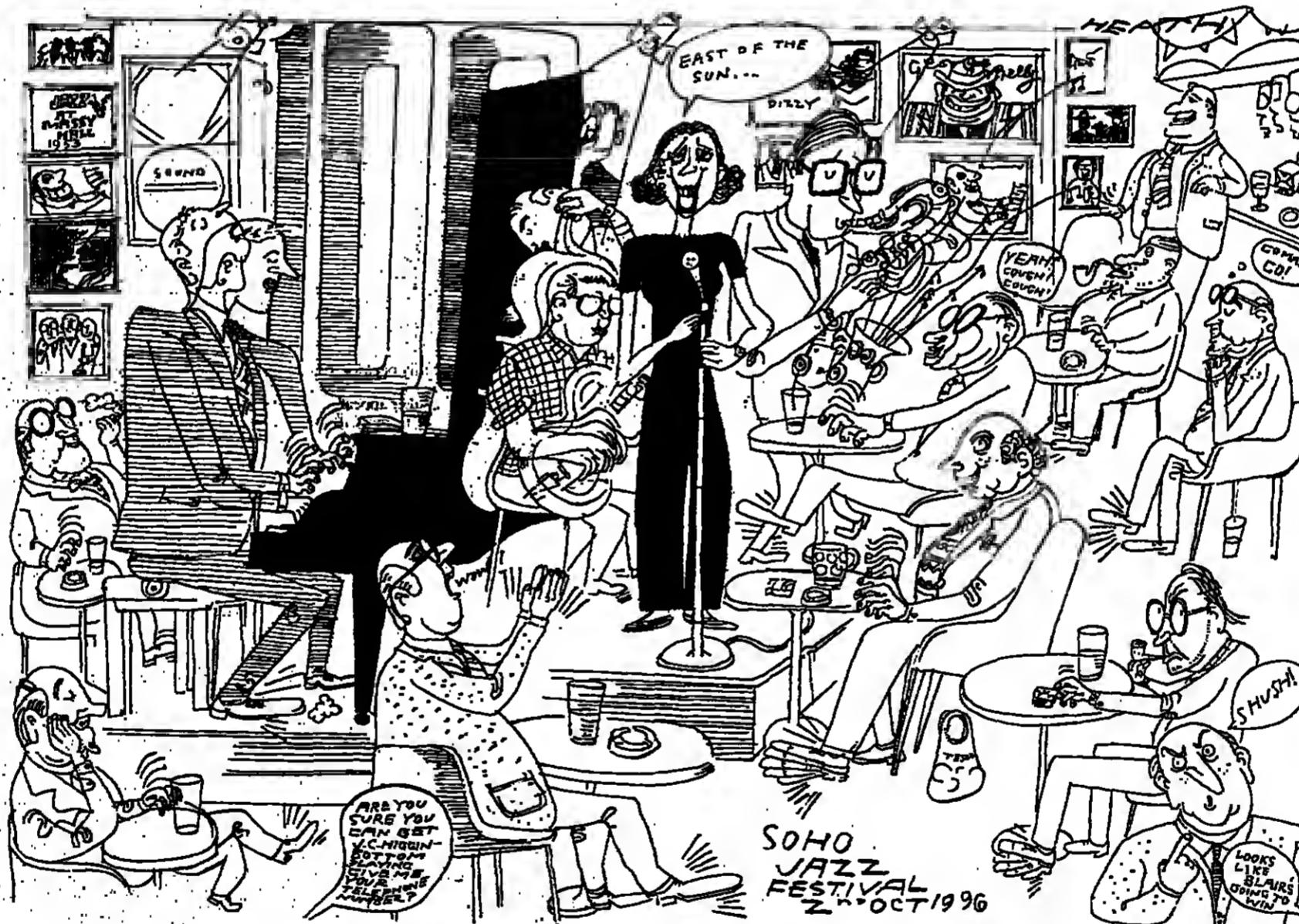
### Kick in the teeth for young jobless

Sir: Next Monday's changes to Job Seekers Allowance are yet another ingredient in the "poisonous cocktail" of policies that can lead to crime, as recently described by government minister Tom Sackville.

The new rules, which cut money for young people and make it harder to take up educational opportunities, are a kick in the teeth for young, unemployed people. They face greater hardship and the risk of being pushed into poorly paid and part-time jobs, while real opportunities, such as study and training for solid employment will be blocked.

The result could be an increase in crime – it is no coincidence that two-thirds of people on probation are unemployed and that benefits are their only source of income.

Not only is there research to prove that one-third of offending behaviour can be cut by providing employment, but our probation



Michael Heath's Britain: At the Soho Jazz Festival yesterday

### Openness at the National Trust

Sir: The agenda for the coming annual general meeting of the National Trust on 2 November includes a members' resolution which draws attention to the somewhat unusual status of members' resolutions at annual general meetings of the Trust.

The Statutes of the Trust state clearly, no doubt for good reason, that the Trust is not bound by any vote taken on a members' resolution. Nevertheless, it is the custom for members to vote on such resolutions either by being present or by the use of mandated or unmandated votes.

At last year's annual general meeting, three different non-political resolutions concerning the governance of the Trust and the preservation of its properties were supported by about 15,000 votes and opposed by about 30,000 votes (either mandated or unmandated).

As the voting is not binding on the Trust, the purpose of the vote is presumably purely advisory. Yet the Trust is unwilling to state how many of the 50,000 or so votes against the resolutions were mandated and how many unmandated (and presumably mainly cast at the discretion of the chairman).

Bearing in mind that the result of this voting is in no way binding on the Trust, it appears to us unfortunate that the Trust is unwilling to set out a more complete account of members' opinions. We therefore hope that

members will read the resolution urging more openness about the voting result on this year's agenda and then express their opinion either at the meeting or by a mandated proxy vote.

ED KITCHENER OF KHARTOUM  
Dr JOHN WILKS  
Oxford

### Greenpeace did help on fridges

Sir: In creating the impression that fridge manufacturers would have adopted hydrocarbons (HC) refrigerants with or without the efforts of Greenpeace's campaigning, following the phase-out of CFCs, Richard North conveniently ignores one or two key facts.

When CFCs were phased out, European and British fridge manufacturers invested considerable resources in switching to hydrofluorocarbons (HFCs).

HFCs were launched as the final solution to environmentally damaging refrigerants because they do not damage the ozone layer. Yet they are greenhouse gases up to 1,800 times more powerful than carbon dioxide, and as such are vigorously opposed by Greenpeace.

Investment in new technology costs money and is not taken lightly. Already committed to HFCs, manufacturers would not have easily invested only a couple of years later in another

technology. Clearly, the move to hydrocarbons only came as a result of consumers responding to Greenpeace campaigns and pressure on manufacturers from Greenpeace's constant publicity and lobbying.

To imply that without

Greenpeace, HFCs would have caught on anyway is either naive or in gross ignorance of the facts.

PAUL BLACKLOCK  
General Manager, Califor Gas  
Refrigeration  
Slough, Berkshire

### Opposite Poles

Sir: Your feature on ethnic jokes ("Why did the Irishman break the rules?", 30 September) missed one point: there are jokes that can be understood in alternative ways.

Here's one. In 1945, a joint Soviet-Polish commission is establishing a new frontier. There is a farm right on the line.

They decide to ask the farmer for his preference. He replied that he wants to be in Poland, because in Poland it's so cold in the winter.

When I was first told this joke (in London) it was clearly meant to show that Poles are stupid. Later, in Poland, I tried it on my interpreter, a passionately patriotic Polish woman.

She beamed and said: "There you are – we Poles are so cunning, we can always make rings round the Russians."

MERVYN JONES  
London SW1

### Painkillers over the counter

Sir: Professor Sir David Carter's view that the sale of paracetamol should be restricted has my sympathy ("Ban pain drug", says leading surgeon", 1 October).

Pharmacists have consistently expressed their concern that – when so few tablets can cause an overdose – paracetamol should be so freely available in drugstores, grocers and on garage forecourts, where there is no possibility of input from a healthcare professional.

The Medicines Control Agency is now considering relaxing the controls on paracetamol, allowing children's liquid paracetamol, currently available only through pharmacies, to be sold in the same way.

We urge the MCA to rethink its plans and to make products containing paracetamol available only on prescription or from pharmacies, where there is always a pharmacist on hand to advise on how to use medicines safely and effectively.

COLETTE McCREDY  
Head of Public Affairs, the National Pharmaceutical Association  
St Albans, Hertfordshire

### County counsel

Sir: I wish to correct a quotation attributed to me ("A new model candidate", 30 September). I am very proud of the results of my school, Bramcote Park School in Nottinghamshire – not Derbyshire as was mistakenly stated in a Labour Party document, which you quoted.

LIZZ BLACKMAN  
Labour Parliamentary  
Spokeswoman for Erewash  
Chilwell, Nottinghamshire

### Tunnel vision?

Sir: Last night, on a French radio station, I heard the Israeli ambassador to France affirm his government's belief in the peace process as after so many years of conflict with its Arab neighbours, "nous voulons voir la lumière au bout du tunnel" (we want to see the light at the end of the tunnel). A diplomatic metaphor?

NICOLE MAXTED  
Timperley, Cheshire

## queen & country

# A queen who found herself left of the Tories



**Elizabeth II always disliked Margaret Thatcher. But her distaste for harder-edged Toryism started with earlier prime ministers. In the first of three extracts from his new biography, Ben Pimlott looks at a ruler who has been a left-wing influence**

**I**n the Queen's relations with Mrs Thatcher there was a rigidity that never softened. The tales of a stiffness between them began early, before Mrs Thatcher became Prime Minister. Harold Wilson's press secretary, Joe Haines, remembers the Labour Prime Minister gleefully passing on a story told him in an audience shortly after Mrs Thatcher became Leader of the Opposition, about her fainting during a Palace function. According to Wilson, the way the Queen told it was revealing. "She doesn't like her," he confided. According to another version, her fainting at the Palace was a habit. On one occasion, Mrs Thatcher felt so faint at dinner that she had to retreat to the lavatory. A short time later, at a similar event, the same thing happened. "She's keeled over again," said the Queen to fellow guests, as soon as the Tory leader was out of the room.

It was after Mrs Thatcher formed a government, however, that the degree of incompatibility became widely apparent. In private, both the Queen and her husband gave the impression that the Prime Minister was "not their favourite woman", as one close friend of the royal couple puts it. "The relationship is the more difficult because their roles seem confused; the Queen's style is more matter-of-fact and domestic, while it is Mrs Thatcher (who is taller) who bears herself like a Queen," wrote Anthony Sampson in 1982. Audiocassettes which had been easy, friendly and even warm with Harold Wilson and Jim Callaghan ceased to be intimate occasions, and became brisk, formal ones. "Why does she always sit on the edge of her seat?" the Queen once asked a Tory peer. The queenly, even imperial, style of the Prime Minister, strengthened by the Falklands War, seemed to grow with the passage of time, as her electoral triumphs made her appear invincible. "She got grander,"

recalls a Whitehall adviser, "and I would have thought this would have gone down badly with the Queen." There was also a kind of mutual condescension. The Palace seems to have regarded Thatcherite fervour as vulgar, while the Thatcherites considered the Palace irrelevant and effete. It was part personal, part political. The mood at No 10 was dismissive, and the monarchy was given bottom priority. "The Palace was on a mental check list," says one former Thatcher adviser. "It was mainly a matter of kicking yourself to remember about its involvement, of saying 'For God's sake, get the Palace's permission', if we were going abroad, or 'For God's sake get the agenda ready for the Audience'."

"Although Mrs Thatcher was enormously punctilious about curteeing," says a Whitehall official who advised several Prime Ministers, "I am not sure how important she thought the Queen was." Preparation for audiences consisted of the Prime Minister's private secretary handing her a card with three topics for discussion on it, which she would read on the way to the Palace. When Wilson and Callaghan unashamedly enjoyed it, Mrs Thatcher treated royal visiting as a tedious waste of time. She regarded trips to Balmoral as purgatory. "I don't think they got beyond the Ma'am and Prime Minister stage," he says. "She was not at ease with it." It was symptomatic that, on the last day of the obligatory visit, she would arrange to leave at 6am. She couldn't get away fast enough."

All this, however, was comparatively minor. What mattered much more – and lay beneath the resentment and irritation which characterised the attitude of No 10 staff, was the feeling that Buckingham Palace was alarmed by some of the things the Conservatives were doing. It was not,

course, entirely new for a constitutional monarch to be at odds with his or her own ministers on political matters. George VI's "gushes" had sometimes focused on the Labour government's attacks on private property, and the Queen Mother continued happily to talk to all comers about the misdeeds of Communists and leftwingers in the Labour Party or at the BBC.

What made the Thatcher era different was an aspect that transcended domestic politics, or even international policy in the normal sense. The Queen never commented openly. However, speculation began, which grew into an assumption, that the Queen and her Palace advisers had a greater concern for the welfare and preservation of the Commonwealth, and hence a greater concern to accommodate Commonwealth opinion, than did her government.

1983 was a politically decisive year. In June, a general election produced the largest Conservative majority for more than half a century. It was an extraordinary turnaround for Mrs Thatcher who, only 18 months earlier, had been the most unpopular prime minister on record. Now, in the wake of the Falklands victory and with the opposition split and marginalised, the supremacy of the Conservative Party, and the apparent invincibility of its leader, provided scope for a centralised use of power far more autocratic than at the time of Lord Hailsham's famous Dimbleby lecture in 1976, when he had warned of an "elective dictatorship".

For a monarchy that wanted to stay outside the political arena, it was not a comfortable situation. One of the classic justifications for an hereditary head of state was that he or she could provide a base of neutral common sense – performing the role, as the constitutional expert Sir Ivor Jennings put it, at the beginning of the reign, of the "good solid citizen". Thus, the monarch was supposed to be part of the system of checks and balances, the more valuable because royal restraint could be applied behind the scenes. "To have such a person at the centre of affairs, cool, calm and judicious is a great advantage," explained Jennings, "especially with a brilliant but wayward Prime Minister."

But what if the brilliant but wayward leader obtained a resounding mandate from the people? And what if the threat of waywardness came from the

right? The conventional account had been based on an assumption that any radical disturbance to the equilibrium would be left-wing. When the possibility was discussed, people thought fondly of the calming effect George V had imagined to have had on Labour after the First World War, or of George VI after the Second, even perhaps, of Elizabeth II and Harold Wilson.

Conservative waywardness was a new proposition. How should a monarchy that abhorred any kind of involvement in controversy respond to a sharp, confrontational shift in favour of the better-off? The question troubled the Queen's advisers on a number of occasions over the next few years, as royal attitudes that had previously been assumed to be consensual were challenged, and new, radically reforming doctrines rocked the established order.

At first it was just a feeling,

but one that increased in strength after the second Tory victory, that monarch and prime minister did not chime. There were several things that pushed them apart. Not just the style, but also the priorities of the uncompromising premier raised questions at the Palace. The "welfare monarchy", as Frank Prochaska has described it, did not find it easy to embrace a leader and an administration that treated welfare policies as soft.

Americans – about being so strength after the second Tory victory, that monarch and prime minister did not chime. There were several things that pushed them apart. Not just the style, but also the priorities of the uncompromising premier raised questions at the Palace. The "welfare monarchy", as Frank Prochaska has described it, did not find it easy to embrace a leader and an administration that treated welfare policies as soft.

occurred after the 1983 election, at the time of a short-lived crisis involving Grenada, a Caribbean island with a population of less than 100,000, of which the Queen happened to be head of state. During the crisis, the Queen became concerned at a failure to tell her what was going on.

In one sense the problem was well handled. Following an upheaval in which the Grenadian prime minister was killed, the governor-general of the island, Sir Paul Scoon, asked the US government, together with neighbouring Caribbean states, to send troops to restore order. An invasion was quickly and efficiently mounted and the objective was achieved. However, the Queen as head of state had been neither consulted nor informed, by Scoon or any other.

To one sense the problem was well handled. Following an upheaval in which the Grenadian prime minister was killed, the governor-general of the island, Sir Paul Scoon, asked the US government, together with neighbouring Caribbean states, to send troops to restore order. An invasion was quickly and efficiently mounted and the objective was achieved. However, the Queen as head of state had been neither consulted nor informed, by Scoon or any other.

A further indication of the difference was presented in the Queen's 1983 Christmas broadcast, which showed the Queen reflecting on her experiences at the recent Commonwealth heads of government meeting in New Delhi. To the head of the Commonwealth and her staff, it seemed natural to highlight current developing-world concerns.

"The greatest problem in the world today," the Queen declared, "remains the gap between rich and poor countries, and we shall not begin to close this gap until we hear less about nationalism and more about

## I'm sorry, did I hear you correctly?



Miles Kington

Yesterday morning I received a letter from Mr Topham of Herne Bay that started:

"This time I write via inkjet tinted with a hint of choler..."

That is as far as I got with the letter. I stopped there, not because I was afraid to find out why he was writing to me cholerically, but because of the sudden realisation that although I have often seen the word "choler" written down I have never, as far as I know, heard it used in

conversation. There are some good words in English for the process of losing your cool, such as temper, rage, ire, fury, wrath, irascibility, and one hears them all used from time to time, except perhaps "ire", but one never hears "choler". One sees it but one never hears it. Why not?

Well, because it is old-fashioned, of course. It belongs to a family of words like bile, gall, spleen, vapours, and so on, which are felt to belong to an outmoded part of medical history.

"Choler" is as out-of-date as the apoplectic 19th-century squint it conjures up, and words do go out of fashion quite quickly and irrevocably (you only have to think of other words that have become dated within living memory, such as "fab", "brill" and "socialism").

But the real reason you don't hear people using the word "choler", I am sure, is that it sounds too much like "collar". When two words mean quite different things and yet sound identical, the odds are that one of them will slowly take second place

to the other. There really isn't much chance that you will seriously confuse "choler" and "collar", as they tend to be used in different contexts, yet, if I were to read out the beginning of Mr Topham's letter to an audience, when they heard the words "This time I write via inkjet tinted with a hint of choler", One sees it but one never hears it. Why not?

Other examples? Certainly, if you see the word "kohl" written down, you probably know that it means a kind of powder used to darken the eyelids. But have you recently heard it referred to in conversation? Almost certainly you haven't, and it is equally almost certainly because in conversation it sounds like "coal" which, by coincidence, is another powdery dark substance which you would hate to have used on your eyelids.

Incidentally, I looked up "kohl" in a dictionary just now, just to make sure, you know, and there I encountered several other

adjacent words that we never use in conversation, unless we are playing *Call My Bluff*. For the first time in my life I have encountered "Kof", meaning a two-masted Dutch fishing vessel, "Koel", meaning a kind of Asian cuckoo, "Kob", meaning water-antelope, and "Koan", which apparently means a problem with no logical answer, used for meditation by Zen Buddhists. (That must include the old Zen problem, "What is the sound of one hand clapping?")

Those words are unused partly because we talk so rarely about Dutch fishing boats, and Asian cuckoos, and water-antelope, but above all, surely, because the words would cause real confusion with "cough" and "coal" or "kohl", with "coh" and with "Coben", a possible confusion that is enough to condemn many words to extinction. The word "dolour", again, is never used these days, even though its French cousin "douleur" is still thriving.

Still, that's enough time spent on the first line of Mr Topham's letter. Now on to the second line. Well, some other time, perhaps.

### UPGRADE TO A SUPREME VI-SPRING BED AT NO EXTRA COST

**I**F YOU ARE THINKING OF BUYING a new bed, Vi-Spring has a unique proposition for you. On new orders placed up to 11th November you can buy a St PREME version of the BARNET, HERALD, REGAL or TIARA bed from a participating stockist. Vi-Spring SUPREME beds represent the ultimate in luxury and comfort and are hand made to a higher specification than any other beds. Using the unique Vi-Spring hand pocketed spring system each tensioned steel spring works independently to rest thoroughly every part of the body.

FOR A FULL PARTICIPATING STOCKIST LIST PLEASE CALL FREEPHONE 0800 592952 (NORMAL OFFICE HOURS)

When you buy a new Vi-Spring BARNET, HERALD, REGAL or TIARA bed from a participating stockist this voucher entitles you to upgrade your purchase to its St PREME equivalent at no extra cost.

**UPGRADE OFFER**

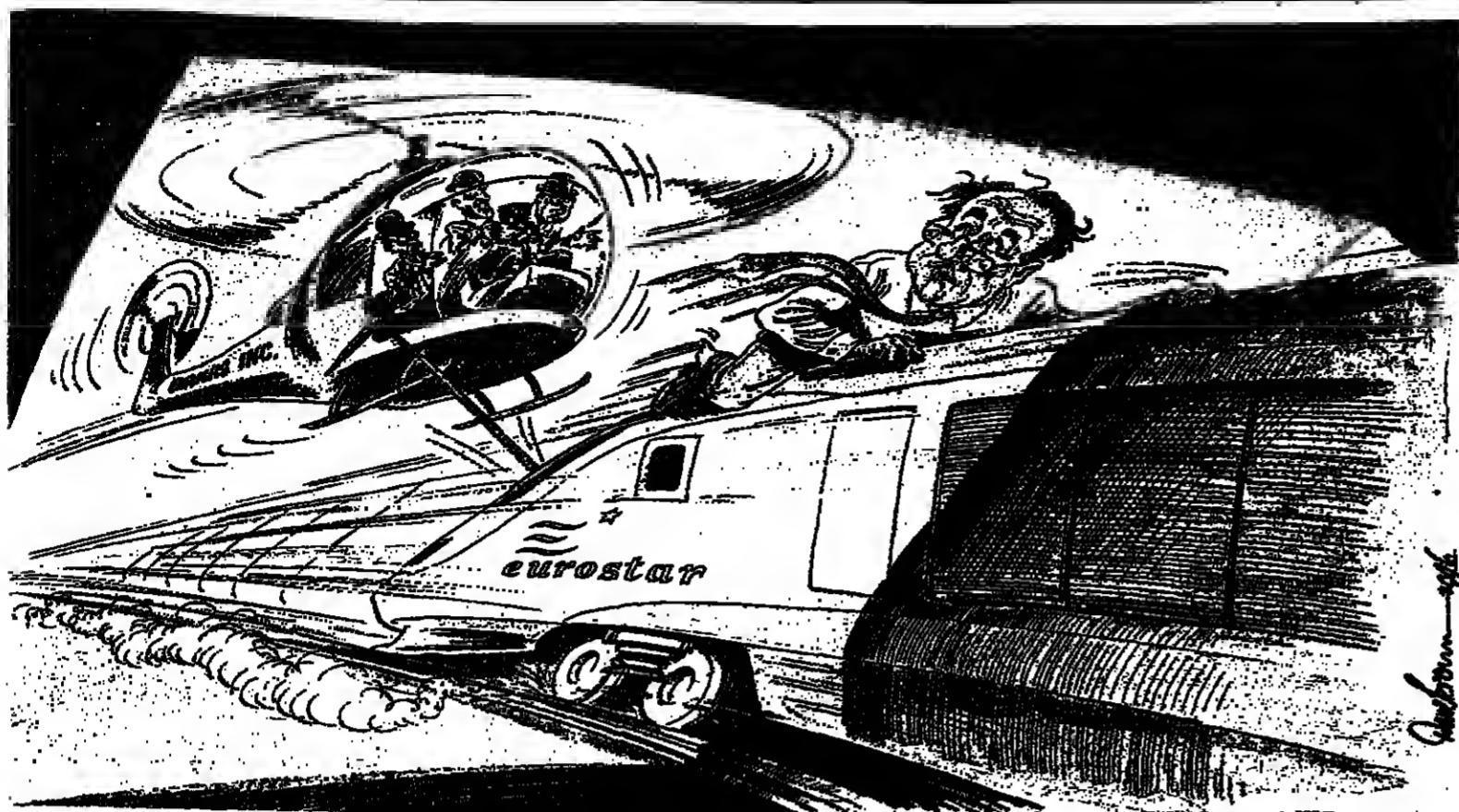
VALID UNTIL 11 NOVEMBER 1996

OFFER APPLIES ONLY AT POINT OF PURCHASE TO NEW BEDS ORDERED BETWEEN 4TH SEPTEMBER AND 11TH NOVEMBER 1996 FROM PARTICIPATING STOCKISTS

Vi-Spring is a Founder Member of The Sleep Council







Free shares for members as life insurer confirms its stock market decision, but will they benefit in the long term?

## Norwich Union to seek £4.5bn shares listing

NIC CICUTTI and PETER RODGERS

Norwich Union, one of the UK's oldest insurers, yesterday announced plans to become the first mutually owned life company to seek a stock market flotation, giving its 2.9 million members a shares payout at least £500 each.

The company said its plans, due to be implemented before summer next year, were aimed at creating better value for policyholders, while also giving it greater scope for expansion.

Allan Bridgewater, group chief executive at Norwich Union, said: "This is a good day for [our] members. Norwich Union will be well placed to take full advantage of the substantial opportunities emerging as demographic changes increase the need for private funding of retirement and other welfare benefits."

Mr Bridgewater refused to comment on the likely valuation of the company, claiming this was dependent on stock market sentiment next year.

Experts suggested the company would be valued at up to £4.5bn, with £2bn handed out in free shares and the rest being raised by the issue of more shares on flotation.

Among the policyholders qualifying for shares are those with life and term assurance cover, both with-profits and unit-linked policies, personal pensions and annuity holders.

Company pension schemes will count as one member. Each will receive a share allocation

based on the size of its overall pot, up to an unspecified maximum. Qualifying members will be given the right to buy an additional amount of shares at a preferential price.

Those not benefiting from the bonanza will be the company's motor, household and other general insurance policyholders, 600,000 health and medical insurance members, unit trust and PEP investors.

Norwich Union also an-

er. By then postal votes will have been counted and, if in favour, High Court approval will be sought for the float. A full listing is expected by the summer.

About 15,000 policyholders whose plans mature between now and flotation next year will not qualify for shares. However, the company said yesterday that an extra bonus would be declared on most with-profit life and pensions policies maturing before that time.

Mr Bridgewater said the rationale for the float was that the company's general insurance business, which contributed about 40 per cent of UK premium income, was owned by the life fund and made up about 6 per cent of its value.

"General insurance has been profitable over the long term, but there has still been a significant exposure to the risks of volatility and the cyclical nature of the business," he said.

In addition, the Department of Trade and Industry, which controls the valuation of life fund subsidiaries, valued Norwich Union's general insurance business at £480m. This was £250m less than the subsidiary's net assets and affected the company's financial strength and therefore the ability to invest its funds as appropriate.

Flotations would also give Norwich Union access to capital it needed to expand its activities, Mr Bridgewater said.

Mr Bridgewater said staff reductions were not likely.

An information line has been set up on 0645 444818.

Comment page 21

Allan Bridgewater: This is a good day for our members'

Photo: PA

Proposed flotation of Norwich Union. The company is among a large number of mutual life insurers serving their policyholders better than competitors set up as conventional companies backed by outside shareholders.

An analysis exclusively for *The Independent* by John Chapman, a former senior official at the Office of Fair Trading, shows that at the top of performance league tables, mutuals outnumber proprietary companies by a wide margin.

They also represent a minority of insurers at the bottom.

The excellent performance of mutuals raises fundamental questions about whose interests are being served by the trend towards abandoning this long-established form of ownership.

As a mutual society, owned by its members, Norwich Union has given its policyholders among the best returns in the industry. Some of the best-known names among the conventional companies, such as Royal Insurance and the Pru, are among the worst performers for their policyholders.

There are difficulties in using raw data on cash payouts from policies to compare performance because they do not show how much a company pays for early or mid-term surrender - 70 per cent of policyholders cash in before maturity.

Mr Chapman, who retired

this year from the OFT after writing several reports on the life industry, has developed a sophisticated analysis that allows for this. He has ranked 15 products including 25-year mortgage repayment policies, regular premium and single premium pensions and unit-linked investments.

Mr Chapman's results confirm that mutual insurers are far more likely than proprietary companies to be top rank performers, and much less likely to be near the bottom.

He said: "This shows the strength of the mutuals. After all, they ought to outperform

Mr Chapman ranks companies' projections of future returns to policyholders for each type of product. This is done by marking them on a scale based on the returns they produce when cashed in early, at a mid-life stage, and at maturity. He makes a similar assessment of past performance.

Combining these two ratings reveals which companies can back their projections of above-average future returns by pointing to above-average past performance.

He also ranks products using only the companies' projections of future returns. These re-

insurers on their customers over the years.

Investment performance is also important. But the charges reduce the overall yield by varying amounts, from 1 per cent a year to 5 per cent a year at maturity, and for those cashed in early the reduction can be 10 per cent a year or more.

It takes a truly miraculous investment performance to overcome the handicap of higher charges over a period of years.

The projections published by the insurers of how much their policies are worth at various stages up to maturity give the best measure of charges.

Financial regulators insist these are based on standardised estimates of investment returns. Therefore the differences in the projections reflect variations in companies' charges.

Mr Chapman combines projected future performance with actual past performance, thus ranking them (in the first column of each table) by the number of products above average on both scores. If companies promising good returns have done well in the past, this gives credibility to their projections.

The second column is based on companies' future projections alone, but it still confirms the success of the mutuals.

The process has been repeated with companies that score worse than average, to give a similar ranking at the opposite end of the scale.

They excellent performance raises questions about who is being served

reflect their ambitions, but often are not supported by past performance. The end result is, however, very similar: four of the top five are mutuals and four of the bottom five are proprietary.

Mr Chapman's mutual versus proprietary company rankings start with company data prepared by the magazine *Money Marketing*, which has adopted this analytical method.

The primary determinants of policyholder returns, whatever stage up to maturity they cash in their policies, is the total amount of charges levied by the

proprietary companies. They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Three of the top four in Mr Chapman's rankings - Equitable Life, Norwich Union and Standard Life - are mutuals. Six of the top 10 are also mutuals, and a further company, Scottish Mutual, was mutual until four years ago.

At the other end of the scale, four of the bottom five are proprietary companies and they are among the biggest names - Royal, Sun Life, the Pru and Britannia Life.

They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Mr Chapman's mutual versus proprietary company rankings start with company data prepared by the magazine *Money Marketing*, which has adopted this analytical method.

The primary determinants of policyholder returns, whatever stage up to maturity they cash in their policies, is the total amount of charges levied by the

proprietary companies. They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Three of the top four in Mr Chapman's rankings - Equitable Life, Norwich Union and Standard Life - are mutuals. Six of the top 10 are also mutuals, and a further company, Scottish Mutual, was mutual until four years ago.

At the other end of the scale, four of the bottom five are proprietary companies and they are among the biggest names - Royal, Sun Life, the Pru and Britannia Life.

They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Mr Chapman's mutual versus proprietary company rankings start with company data prepared by the magazine *Money Marketing*, which has adopted this analytical method.

The primary determinants of policyholder returns, whatever stage up to maturity they cash in their policies, is the total amount of charges levied by the

proprietary companies. They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Three of the top four in Mr Chapman's rankings - Equitable Life, Norwich Union and Standard Life - are mutuals. Six of the top 10 are also mutuals, and a further company, Scottish Mutual, was mutual until four years ago.

At the other end of the scale, four of the bottom five are proprietary companies and they are among the biggest names - Royal, Sun Life, the Pru and Britannia Life.

They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Mr Chapman's mutual versus proprietary company rankings start with company data prepared by the magazine *Money Marketing*, which has adopted this analytical method.

The primary determinants of policyholder returns, whatever stage up to maturity they cash in their policies, is the total amount of charges levied by the

proprietary companies. They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Three of the top four in Mr Chapman's rankings - Equitable Life, Norwich Union and Standard Life - are mutuals. Six of the top 10 are also mutuals, and a further company, Scottish Mutual, was mutual until four years ago.

At the other end of the scale, four of the bottom five are proprietary companies and they are among the biggest names - Royal, Sun Life, the Pru and Britannia Life.

They do not have to give away 10 per cent of their earnings in dividends to shareholders.

Mr Chapman's mutual versus proprietary company rankings start with company data prepared by the magazine *Money Marketing*, which has adopted this analytical method.

The primary determinants of policyholder returns, whatever stage up to maturity they cash in their policies, is the total amount of charges levied by the

Investment: Bank of Scotland looks south

22

Market report: Labour puts skids under buses

23

Economic view: America's McJob factor

24

CITY & BUSINESS EDITOR: JEREMY WARNER

## Mission Impossible: Sir Alastair gets the banks in tow (with apologies to Tom Cruise)

MICHAEL HARRISON

The board of Eurotunnel last night approved a deal to refinance its £5bn debt mountain that sharply dilutes existing shareholders but leaves them in control for the time being and saves the Channel tunnel operator from receivership.

Eurotunnel said yesterday that it had reached agreement with its banks on the basic principles of the restructuring plan.

Under the refinancing agreement, the banks will swap a portion of their debt - likely to be between £2.5bn and £3bn - for a 49 per cent stake in Eurotunnel.

There will also be an issue of convertible bonds which would enable the banks to take a majority shareholding of 75-80 per cent although Eurotunnel is thought to have held out for the right to redeem the bonds provided financial targets are met.

Details of the deal will not be announced until early next week but it is thought that the price at which the banks will

convert their debt into equity is less than 150p per share.

Eurotunnel's co-chairmen, Sir Alastair Morton and Patrick Ponsolle, had been pressing for the conversion to take place at around the 265p price that it last issued shares in its 1994 rights issue. But the banks have been insisting that the conversion price should be based on Eurotunnel's market price.

The deal, thrashed out by Eurotunnel and a steering group of its senior lenders, representing Eurotunnel's 225-strong banking syndicate, should allow shares

in the company to resume trading early next week.

However, Eurotunnel's 750,000 shareholders will not be able to vote on the restructuring until early next year while it might take until March or April to get the agreement ratified by all members of the syndicate.

Despite the dilution that existing shareholders will suffer and a warning from the French shareholders' group Adacte that it would oppose the restructuring, a Eurotunnel source said:

"We would not have agreed in this deal if we did not have more than a sporting chance of selling it to our shareholders."

Other Eurotunnel sources have likened the task of reaching agreement to "Mission Impossible". Negotiations began a year ago when Eurotunnel unilaterally suspended interest payments on its debts, then running at £1m a day. Sir Alastair said a month ago that he would give it until the end of October to reach agreement with the bank and then retire.

## Footsie surges beyond 4,000

TOM STEVENSON

City Editor

The FTSE 100 index of leading shares broke through the psychologically important 4,000 barrier for the first time yesterday amid optimism that economic growth and subdued inflation would mean higher corporate profits in the foreseeable future.

The index closed 22.9 points higher at 4015.1, having pushed through 4,000 in the opening minutes of trading. More than 750 million shares changed hands, in heavier trading than in recent weeks when rises have often reflected dealers squaring their books rather than much underlying demand.

Shares were given a boost by falling bond yields as confidence grew that interest rates in the UK were not about to rise and expectations that rates in Europe had further to fall.

Attention focused on where the market would head now it had broken through 4,000, with the debate in the City bottling up between bears, such as PDM's Tony Dye, who has staked their reputations and billions of pounds of their clients' money on a major correction, and those who believe the market has further to go.

Peter Sullivan, a strategist at Goldman Sachs, said: "There are two conflicting forces at work. Market valuations look above any estimate of fair value, but against that there is a very positive economic outlook with above-average growth and lower-than-average inflation."

He said markets often remained either above or below fair value for extended periods. Goldman Sachs expects the market to be slightly lower in 12 months' time at 3,950 but does not rule out further rises in the short term.

On the basis of Goldman Sachs' models, the London market is, on some measures, more expensive than it peaked in July 1987, just before the crash that October. The average prospective price/earnings ratio of 15.2 compares with 14.7 in July 1987 and a long-term average of 12.6.

On the dividend yield, however, the market does not look stretched. Compared with the 3.8 per cent yield in 1987, shares now offer a 4.2 per cent yield.

channelling further falsehoods through the accountants and Brent Walker's solicitors. Eventually, the SFO called off its investigation and Anderson was "well rewarded", said Mr Rook.

The trial continues today.

See tomorrow's paper

for full story

involvement in the alleged laundering of £12.5m of Brent Walker's money. Mr Rook said:

Mr Rook said an article published in *The Independent* said a Jersey-based offshore company, Universal Talent Management, was involved in the false profit-taking.

It was controlled by Brent Walker's executive John Quested, but after the publicity it was moved to the Bahamas and a false "cover story" put forward by

Mr Rook said:

The Inland Revenue launched an inquiry into Brent Walker's finances, and by December 1988 the Serious Fraud Office was conducting an investigation. Anderson allegedly "kept them at bay" by

channelling further falsehoods through the accountants and Brent Walker's solicitors. Eventually, the SFO called off its investigation and Anderson was "well rewarded", said Mr Rook.

The trial continues today.

See tomorrow's paper

for full story

involvement in the alleged laundering of £12.5m of Brent Walker's money. Mr Rook said:

Mr Rook said an article published in *The Independent* said a Jersey-based offshore company



COMMENT

## Why leave these mutual benefits behind?

Alan Bridgewater, chief executive of Norwich Union, puts his case for demutualisation and flotation on the stock market in such a compelling and plausible manner that it seems almost churlish to challenge him. There's no-one else to do it, however, so here goes anyway.

First, here's why Mr Bridgewater believes this is the way to go. He is not against the mutual structure of ownership as such, he insists; it is only that it has become inappropriate (always a nice word) for a company such as Norwich Union, which with its substantial general and healthcare insurance business is much more akin to a composite insurer than a traditional life mutual.

According to Mr Bridgewater, this general insurance business sits uneasily in a with-profits mutually owned life fund. It is cyclical and volatile and therefore a source of some danger to the life fund, he claims. Moreover, the Department of Trade and Industry values it at just £480m for the purposes of the fund, when on the open market it would probably be worth three or four times that amount. Policyholders are thus exposed to an inappropriate business which is failing to deliver value.

Up to a point all this is true, but whether it justifies going through the whole caboodle of demutualisation is another thing. The promised free shares are a nice little windfall ahead of the summer hols, but set against the long-term value of an endowment policy, even the top whack of perhaps £2,000

world of equity is not very much. As a consequence, the decision for life assurance policyholders is a much more difficult and complex one than it has been for building society members.

As our tables opposite show, there do seem to be real and tangible benefits derived from the mutual structure of ownership for life policyholders. It is by no means clear that they gain anything from conversion. Indeed the evidence is rather the reverse. Ah, but it will be different with us, says Norwich Union, which is admittedly already one of the top performers with one of the most efficient cost structures in the business. The point is, however, that it has achieved this position as a mutual, not as a joint stock company. Indeed, the proprietary structure seems on the evidence positively to encourage inefficiency and excessive costs. In the worst cases, these companies are little more than commission-driven rip-off operations designed to enrich their shareholders and employees. No one would suggest that Norwich Union might become like that, but it is as certain as night follows day that in future it will be shareholders that management works for primarily and not policyholders.

Beyond the free shares, it is hard to see what Norwich Union members gain from this exercise. Despite realising what will presumably be a full value for the general insurance business, they are not, perhaps significantly, being promised any more

than "existing policy expectations". So why do it? It's just possible that this is being forced on Norwich by financial weakness in the life fund, which needs recapitalising even to meet "existing expectations".

But part of the answer must also lie in Mr Bridgewater's belief that plc status is the most effective corporate structure to achieve "our business objectives". Whilst these are no doubt noble and worthy, it scarcely needs saying that they are not a good reason for converting. Whatever the Norwich board has in mind for the general aggrandisement of East Anglia, it is largely irrelevant to policyholders' interests.

In the end, policyholders need only ask themselves one question: Why should they give up a structure which appears to have served their interests far better over the years than the proprietary form of ownership they are being invited to convert to? Certainly we've had that. But let's not be naive about this. Regardless of whether Norwich can improve its case, short term will triumph, and the free shares will be enough to persuade members to vote this through.

**Channel tunnel is a licence to print money**

Yippee, Tahiti here we come. Sir Alastair

Morton may find himself short of people to pick fights with in the South Pacific, whence he intends to go to unwind after his Herculean efforts in rescuing the Channel tunnel from the abyss (again).

Never mind, he and Eurotunnel's shareholders can content themselves instead by reflecting on a job done, who knows, perhaps even well done.

We do not yet have the details of how

Eurotunnel's £280m debt burden is being

redistributed. As usual in cases like this, it

will not be a pretty sight for shareholders,

who began with such big promises and high

hopes and now find themselves with an

unpleasant case of dilution on the high seas.

But we do at least know that shareholders will still be afloat and left clutching more than just their free travel perks when the restructuring plan bobs to the surface in the next few days. Ever since he decided to stop

making the loan repayments a year ago Sir

Alastair has been repeating a couple of

adages: We're In This Together and

No Gain Without Pain.

He has been around bankers long enough

to know that if there is one thing that they

hate, it is running businesses as opposed to

telling others how to do it. And he has played

his hand well. Moreover, pulling the plug on

Eurotunnel would not have gained the

banks a single extra penny of revenue while

leaving them with 750,000 aggrieved share-

holders to placate, many of them customers

in another life...

The price at which their debt is likely to

be swapped may not be as attractive as it

could have been six months ago but it stands comparison well with the price at which Eurotunnel last issued equity two years ago.

What's more there are a series of carrots to give both sides the incentive to make the most of the tunnel. If Sir Alastair's successors can meet performance targets, they will probably keep control. The virtue is that the better they do the more likely they are to hang on and the bigger becomes the cash-flow to service investors new and old. It may have taken Eurotunnel the best part of a decade to get to the point where its finances are on an even keel. But one thing is certain.

Now they are the Channel tunnel will increasingly become a licence to print money. Eurotunnel is already at the point where it is making operating profits after depreciation but before financing costs.

Once the ferries have consolidated and

prices have hardened and Eurotunnel is

out of the debt it could never service, the

tunnel will be a lucrative proposition indeed.

Undoubtedly, there will be elements in the

banking syndicate who are tempted to hold

out in the hills in the hope of wringing a lit-

tle more out of Eurotunnel shareholders.

With a syndicate spread out across 225

lenders in 17 countries, it would be amaz-

ing if that were not the case.

They should bear in mind another adage:

it ain't worth spoiling the ship for a

ha'porth of tar.

## \$2bn takeover bid for TNT shakes up Australian market

TOM STEVENSON  
City Editor

KPN, the largest postal and telecommunications company in Holland, yesterday launched one of the biggest takeover bids ever seen in Australia when it tabled an A\$2.6b (£1.02b) offer to buy TNT, the Australian transport company.

The bid, which would create one of the four largest transport companies in the world, has been unanimously recommended by TNT's board. TNT has been performing poorly in recent years.

David Mortimer, TNT's chief executive, said yesterday: "This proposal represents an outstanding opportunity to create a strong global transportation group."

Speaking in Sydney, Wim

Dik, chief executive of KPN, said one of KPN's key objectives from the proposed takeover would be to expand in Asia. The Dutch company, which until 1989 was owned by the Netherlands government, has a wide presence in Europe and is listed

on stock exchanges in the Netherlands, Britain, New York and Frankfurt. But its exposure to the rapidly expanding Asian market is limited.

This is a gigantic step for us,"

Mr Dik said. "It fits nicely in the strategy we have outlined to grow in markets outside of Europe and to grow quickly. There is a big shakeout going on and we want to be there for it."

The announcement on Wednesday morning caught the Australian market by surprise. TNT shares soared 80 cents, or 49 per cent, to close at A\$2.43.

In Holland, too, the market jumped higher as news of the bid was absorbed. Dealers welcomed the move, saying it gave the Dutch telecom giant more of a global position, adding transport and logistics to its core telecommunications.

KPN shares closed up 1.70 guilders at 60.60, although still below the year's peak of 68.50.

The bid came only days after TNT completed the sale of its 50 per cent stake in Ansett Australia Holdings, an airline, to Air New Zealand for A\$470m.

### IN BRIEF

• UK house prices fell a seasonally adjusted 0.1 per cent in September from August but were up 5.2 per cent from a year earlier, according to Halifax Building Society. It said the fall "reinforces our view that house prices are continuing to recover but the boom in house prices which occurred in the mid to late Eighties is not being repeated".

• Rothschild took the top slot by value and UBS rose to fourth position by number of deals in *Acquisitions Monthly*'s UK mergers and acquisitions league table for the first nine months of the year. Rothschild advised on eight takeovers worth £8.4bn while UBS advised on 14 worth £5.45bn. Separate rankings by Securities Data Company of the US put UBS at the top of the table for acquisitions in the UK by home or foreign companies, with \$16.35bn worth over the same period compared with \$2.5bn a year earlier.

• Harrods' plans for a £2bn stock market flotation are understood to have been suspended. The Knightsbridge store has not abandoned the idea entirely but has decided to get more trading periods under its belt first. However, it is thought that Harrods will still press ahead with plans to develop a 400,000 square foot site adjacent to the existing store and open the nearby depository into a Harrods Hotel.

The report may also have recommended that Mr Lang, impose restrictions on transatlantic routes where BA and American would otherwise have a total monopoly.

Mr Lang is expected to reach a quick decision on the proposed alliance although some observers believe he may wait until after the Conservative Party conference, before announcing his decision.

Without approval for the alliance Britain and the US will not be able to sign an open skies agreement across the Atlantic opening up Heathrow to more American carriers and greater competition.

However, the BA-American link up has faced unprecedented opposition from rival airlines and consumer groups alike. Richard Branson's Virgin Atlantic and United Airlines, the biggest carrier in the US, have both opposed the deal, as has the Consumers' Association, which argued that the alliance would entrench the dominant position of the two carriers.

• Tesco is continuing to beat Sainsbury's in the supermarket battle for market share. Figures compiled by research group AGB for the four weeks to 23 September show that Tesco's share of the UK dry groceries market was 21.4 per cent, the same as the previous month. Sainsbury's share edged ahead to 19 per cent compared to 18.6 per cent in August. Sainsbury continued to gain ground up from 10.4 to 10.6 per cent. Asda also performed strongly with its share moving up from 11.9 per cent in August to 12.2 per cent in September.

• Shares in Pegasus fell 42.5p to 332.5p after the software company said it had called off talks with rival Sage about a possible conditional offer. In a statement, the company said it took the view that Sage's offer, which had been increased to 475p per share during the course of discussions, undervalued its medium term trading prospects.



**Is always feeling tired and thirsty, always going to the loo, stopping you from being a City highflyer?**

You could be suffering from a form of diabetes. Ask your doctor for a test - diagnosis and simple treatment could quickly restore your old sparkle.

**BRITISH DIABETIC ASSOCIATION**

10 QUEEN ANNE STREET, LONDON W1M 0BD. REG. CHARITY No. 215199.

A charity helping people with diabetes and supporting diabetes research

For more information  
FREEPHONE 0800 60 70 60.

## business

## Bank of Scotland looks south

## THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Over the centuries the Scots and the English have embarked on many a bloody battle. But in the cut-throat world of banking, the English banks have tended to fight among themselves, leaving the Scots to compete for business north of the border. The complacency of the English is proving costly, however.

The 300-year-old Bank of Scotland, which reported record interim pre-tax profits of £324.3m yesterday, is able to claim that its share of UK bank savings has climbed steadily from 3.52 per cent in 1980 to 7.39 per cent now.

That share has been distorted by Abbey National's takeover of National & Provincial, the former building society. Peter Burt, who has moved up to the chief executive's slot at Bank of Scotland, believes his share will dip again next year when the Halifax Building Society swamps the sector following its stock market flotation and re-emergence as a bank. But he expects gradually to claw back that market share by offering a superior service.

This is why Bank of Scotland can stand back from the race to become a "bancassurance" group, being pursued by many other British banks, thus avoiding costly acquisitions of life insurance companies. Of course the bank needs to provide some add-on services in a world that increasingly requires consumers to take extra provision for their savings and old age.

But Mr Burt's Bank of Scotland will concentrate on packaging other companies' products to meet its customers' needs, rather than getting involved in the risky process of integrating a whole new, and probably alien, business with the rest of the bank. The bank is currently tied in with Standard Life, which now owns just 2.8 per cent of the bank's shares after selling off a 3.2 per cent stake in the first half.

The bank may also need to link with another fund manager after British Liner Bank, its merchant bank which made profits of £7.0m in the first half, sold its stake in Dunedin Fund Managers.

It intends to use its new acquisition, BankWest in Australia, to push into the burgeoning economies of South-east Asia. It will also provide its expertise in telephone banking to boost tele-banking in Australia and also at Countywide, its New Zealand bank.

NWS, its Chester-based finance house, is one of the driving forces behind this tele-banking expertise. While the subsidiary can appear costly because of current expenditure on technology, income streams are rising and its customer lending rose 19 per cent in the first half.

The group managed to beat analysts' forecasts by raising income faster than

costs in the half year. Projections for the full year have accordingly been raised to £660m, putting the shares up 9p at 264.5p – on a forward multiple of 8. A core holding in the sector.

## Clubhaus brings golf back to life

Golf has been a graveyard in the past – for wealthy developers, companies and the banks that backed them. No surprise then, that, despite enormous demand for the game and the relatively unprofessional management of most courses, there are only a handful of quoted companies seriously involved in the business. The appointment of David Lloyd to Clubhaus's board yesterday marks it as the most interesting of the bunch. Maiden figures since floating at the beginning of the year, showing profits of £728,000 from turnover of £3.15m, point to a company making the transition from asset-based development punt to measurable, earnings-based investment opportunity.

The background ought to be extremely auspicious. The number of registered golfers in the UK has grown sharply in the early 1990s, but despite the increased interest in the game, a yawning gap exists between cheap and not very cheerful municipal pay-and-play courses and the snooty, members-only clubs. Clubhaus's chief executive, Robert Bourne, likens the state of British golf to that of the American game maybe 30 years ago.

What the game desperately needs is an injection of professional leisure industry management to bring it up to date. That would include making clubs more family-friendly, combining courses with attractive fitness facilities (hence the David Lloyd appointment) and pushing non-golf spending such as food and drink. Only then will golf courses become viable financial enterprises.

Clubhaus is further down this path than anyone else and is on track to building a network of 12 to 15 UK courses to complement the three it has set up in France and Germany. Picking courses up from the receiver in a number of cases, at a fraction of their

replacement cost, it has paved the way for a satisfactory return on capital.

Clubhaus has read the market correctly or whether it has the management depth to capitalise on the opportunity. If it has, though, it seems very unlikely that the likes of Whitbread and Rank would not snap the company up. The shares rose 7p to 74.5p yesterday, about where they floated. Interesting.

## Less gloom at Hewden Stuart

Hewden Stuart, the UK's biggest plant hire group, was in uncharacteristically chipper mood yesterday. Having been proved right with three doom-laden prophecies over the past 12 months, it is now seeing the first glimmers of the upturn which it forecast with some confidence in April. This new-found confidence was behind yesterday's 7.5p rise in the shares to 143p.

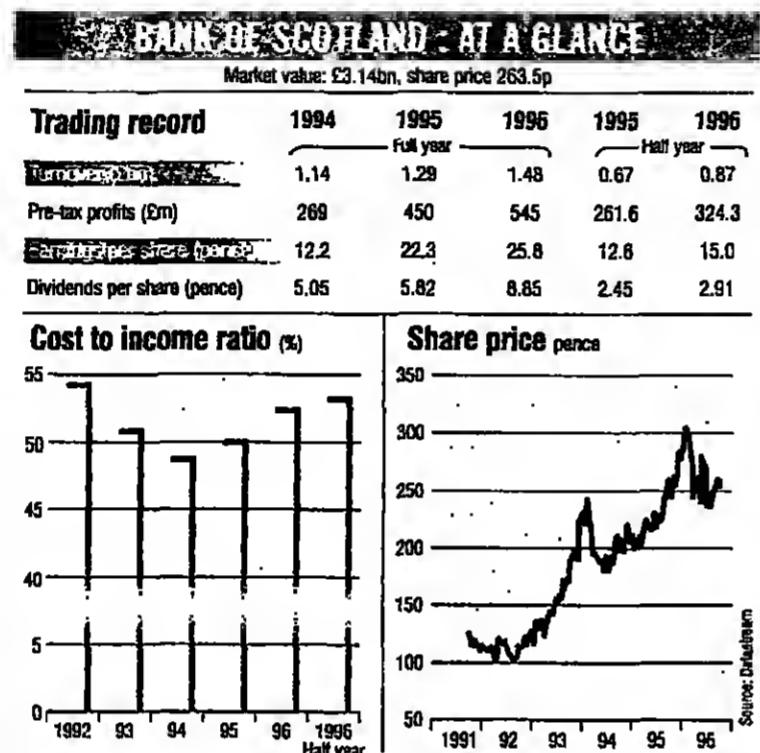
But the figures for the six months to July show just how bad things have been since it first warned that the construction downturn would hurt the group. Pre-tax profits crumpled by a quarter to £14.7m as turnover fell fast at £142m, an underlying fall of 4 per cent when acquisitions are stripped out.

Hewden is highly operationally geared. Its tough cost-cutting policy means that once its hire fleets reach a certain level of utilisation, virtually all additional sales drop through to the bottom line. But the reverse is also true, so when rates dipped to around 60 per cent, as they did in the first half, the group suffered badly.

But as usual Hewden has acted fast in the face of recession, slashing its prodigious spending on new equipment from £45m to £23m in the six months. It now expects the year's outcome to be little different from depreciation, forecast at around £38m.

Utilisation rates are now back up to the 65 per cent enjoyed in the second half of last year, with more optimistic noises being heard in the housebuilding sector and in the market for tower cranes. Hewden still remains heavily exposed to the much-pruned road-building industry and to work for Scottish local authorities.

Even so, the group is well placed for the expected upturn. One or two small acquisitions currently in contemplation should help fill in gaps in coverage of the south. In the meantime, full-year profits of £29m would put the shares on a prospective multiple of 20. High, but probably justified by the prospects.



## Shareholders put pressure on Blenheim to sell

## MAGNUS GRIMOND

Blenheim was silent yesterday on the progress of the revived bid talks for the exhibitions group, understood to be with the Anglo-Dutch publishing giant Reed Elsevier, as it announced more than doubled profits. But industry observers said they expected an early announcement, given what is thought to be heavy pressure to

sell being applied by some of Blenheim's biggest shareholders.

The new bid approach, revealed on 16 September, came after the failure of discussions with both United News & Media, the newspapers to money-brokering group, and Reed. It was thought that the talks broke down over price, with Reed said to be offering near 480p a share and Neville Buch, executive

chairman of Blenheim, holding out for 500p or more. One analyst suggested yesterday's news that profits had soared from £15.2m to £90.7m in the first half would have little effect on the negotiations. "The whole thing is swinging on whether Neville Buch will accept an offer lower than he was previously offered," he claimed.

With a renewed bid from United thought to be low on the

media group's list of priorities, analysts said most of the pressure to sell was coming from shareholders. "It is coming from one or two institutional shareholders, Compagnie Générale des Eaux [which owns a 15.5 per cent stake] and some elements within the company."

There were suggestions that the American Lanuzzi family, which holds 12 per cent of the shares, and Patrick Leccrete, with a 5 per cent holding, were sellers, although not necessarily at the lower price being mooted. Both are represented on the board.

Their shareholdings result from the sale of family businesses in the US and France respectively, both areas which have suffered drastic cuts in senior management as Blenheim has wrestled to improve the performance of the group.

## Cairn in £185m Australia oil bid

## MAGNUS GRIMOND

Cairn Energy, the fledgling Edinburgh-based oil group, yesterday took an important step towards maturity after unveiling an A\$365m (£185m) bid for Command Petroleum of Australia.

The deal, to be part-financed via a two-part rights issue to raise £133m, will give Cairn access to a big oil-producing asset in India to complement its existing gas find in Bangladesh. The cash call is for a maximum of one new share at 360p for every three held, with the first call due to raise £33.2m. This is the latest in a string of calls on shareholders, the most recent being for 50m in July. Cairn's shares rose 22p to 394.5p yesterday.

The bid for the Australian quoted Command, which is 33 per cent owned by Snyder Oil & Gas of the US, has effectively been agreed by the board. Cairn has arranged an option over a 19.9 per cent stake held by Snyder, the maximum allowed under Australian rules, and expects Snyder to sell it the rest of the holding. The Cairn offer is worth A\$1.10 per Command share, with a two-for-13 share alternative.

Bill Gammell, Cairn's chief executive, said the group saw emerging markets for energy in Bangladesh and India. "We are already in Bangladesh and we think two plus two might equal four and a half or even five."

Command's main asset is a 22.5 per cent interest in the Rava oil field in the Bay of Bengal. Currently in the start-up phase, Rava is producing 13,500 barrels a day, rising to 35,000 by the end of the year. Subject to government permission, output will rise to 50,000 barrels a day by next year.

Further production of 20,000 barrels a day will come in next year from a field in Yemen, in which Command holds a near-12 per cent interest. Other assets are in Tunisia, Papua New Guinea, India, Australia, Mongolia with further production in Russia.

Including its Sangi field in Bangladesh, estimated by analysts to contain 1 trillion cubic feet of gas, Mr Gammell said Cairn's reserves would total 200 million barrels of oil equivalent after the acquisition. By 1997 or 1998, total group production could be between 45,000 and 50,000 barrels a day.

## FINANCIAL NEWS FROM BANK OF SCOTLAND

## Bank of Scotland Interim Results

	6 months ended 31 August 1996 (unaudited)	6 months ended 31 August 1995 (unaudited)	Year ended 29 February 1996
<b>TOTAL PROFIT FROM GROUP OPERATIONS BEFORE PROVISIONS</b>	<b>£408.2m</b>	<b>£339.6m</b>	<b>£706.4m</b>
<b>PROFIT BEFORE TAXATION</b>	<b>£324.3m</b>	<b>£261.6m</b>	<b>£545.0m</b>
<b>TOTAL CAPITAL RESOURCES</b>	<b>£3,688m</b>	<b>£3,105m</b>	<b>£3,533m</b>
<b>TOTAL ASSETS</b>	<b>£46,140m</b>	<b>£36,837m</b>	<b>£44,099m</b>
<b>EARNINGS PER ORDINARY STOCK UNIT</b>	<b>15.0p</b>	<b>12.6p</b>	<b>25.8p</b>
<b>DIVIDEND PER ORDINARY STOCK UNIT</b>	<b>2.91p</b>	<b>2.45p</b>	<b>6.85p</b>

- Pre-tax profit £324.3 million – up 24 per cent
- Pre-tax return on average equity (annualised) 36.7 per cent
- Dividend increased by 18.8 per cent
- Cost:Income ratio 52.9 per cent



For a copy of the Bank's Interim Report please contact the Public Relations Department, Bank of Scotland, The Haymarket, Edinburgh, EH1 1HZ.

## Sabotage suspected as Maples' airship promotion is deflated

## PEOPLE &amp; BUSINESS



Sky-high: Grahame Winter's airship advertising stunt ended with Heathrow air traffic control being alerted

City analysts pondering rumours of a merger between beleaguered food retailers Kwiksave and Iceland have wasted little time dreaming up a new name for the notional new company: Kwiksand.

A contrite media baron? It can happen. Yesterday none other than Ted Turner apologised to the Anti-Defamation League for comparing Rupert Murdoch to the "fate Fuhrer". Mr Turner, whose company, Turner Broadcast-

ing System, is being investigated by reporters in New York last week.

In his letter to the ADL, he said that his Fuhrer analogy was inapt and "trivialised a profound historical tragedy". The comment, he said, was "offensive" and "referred only to the way Hitler managed the news in Germany".

Roger Cork, son of the late insolvency guru Sir Kenneth Cork, has been confirmed as

the new Lord Mayor of London. He will be admitted to office on 8 November.

Mr Cork is a senior partner at Moore Stephens, where he is head of the firm's corporate recovery and insolvency practice. The theme of his year in office will be "Making Britain even Greater".

"I think Britain needs to get back its faith in itself," he says. "I think people who work in the City feel that it is the best place to work and the premier financial centre but I'm not sure people outside London feel that. We want to put the pride back in Britain."

Mr Cork will be promoting both London and UK plc on visits to Australia, New Zealand, Pakistan and India next year.

Sir Matthew Goodwin, the former chairman of plant hire group Hewden Stuart, astonished his former colleagues when he appeared in the office with a chainsaw.

Workers feared it was part of a brutal new approach to corporate downsizing or that the Tory party bigwig had aligned on a fresh method of chivvying along party donations.

In the end it proved to be no Glasgow chainsaw massacre. Sir Matthew is part of a project to re-forest Scotland and was presumably planning a spot of thinning.

The chainsaw adds to an already impressive array of weaponry with which Sir Matthew is regularly seen. He also steps out on the Lancashire hills armed with a Canadian spear, which is used in the planting of trees.

Nigel Cope

50 من الأصل

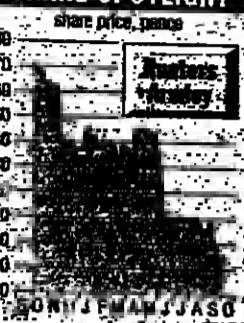
# for falls £70m

## market report / shares

### DATA BANK

FT-SE 100	4015.1	+22.9
FT-SE 250	4434.2	+24.4
FT-SE 350	1998.0	+11.4
SEAQ VOLUME	835.5m shares	
	16,095 bargains	
Gilt Index	94.49	+0.50

### SHARE SPOTLIGHT



### Stocks

### Price

### Change

### Yield

### PE

### Price/Earnings

## business

# Wages hold steady as Americans take more McJobs

The joke going the rounds in pre-election America is that Bill Clinton has created 10 million jobs – and three of them are mine. On the face of it, the joke is past its sell-by date. The "Help Wanted" signs are a common feature in store windows in the nation's capital, Washington DC, so it is no surprise that the US unemployment rate has been falling for four years to become one of the lowest in the industrial world.

Figures out last week showed that household income rose last year for the first time since 1989, and the proportion of Americans living in poverty fell for the second year running.

Yet there is little sign of the rising wage rates that would be the normal effect of increasing demand for labour. This is why two weeks ago Alan Greenspan, the chairman of the Federal Reserve, decided there was no need to raise interest rates. Since he is the man who has been more right about the US economy more times than anybody else, it is worth paying attention to his view that something has changed in the American labour market.

Some of the clues about why this might be true are hidden in those income and poverty figures.

According to the Census Bureau, the median household income rose to \$34,074 in 1995, a 2.7 per cent increase. (Top incomes rose by more – good news for the one in five delegates to the Republican Party convention in San Diego who make more than \$1m a year.)

It was the first increase in median incomes for six years and the biggest increase for a decade. Most



ECONOMIC VIEW  
DIANE COYLE

of the rise was in the Mid-West, a region with a long way to bounce back from the impact of recession in its manufacturing industries.

However, earnings for full-time workers, both men and women, declined. In other words, for household incomes to have risen, either more people within the household have been working or they have been working at more than one job.

In fact, a comparison of the employment figures and job creation figures suggests that for every four

ing in poverty fell by 1.6 million to 13.8 per cent of the population, down from 14.5 per cent in 1994.

Poverty rates for blacks and the elderly reached historic lows. The proportion of the elderly living below the poverty line dropped to 10.5 per cent, compared to 35.2 per cent in 1959.

Last year was the first time it had been lower than the rate for those of working age. And for the first time, the poverty rate for blacks fell below 30 per cent, whereas more

**'Hispanics, not blacks, form the most deprived group in the US population, with a poverty rate above 30 per cent'**

new jobs, roughly three additional workers have got employment. So the joke does have its truth.

The implication is that wage rates might even have fallen, if people are having to move down more than one job to make a living. There is perhaps something in the charge that many of the new jobs for which President Clinton claims credit are McJobs. On the other hand, this does not seem to square with the Census Bureau's poverty figures.

They showed a significant decline last year. The number of people liv-

ing in poverty fell in 1995.

Hispanics, rather than blacks, now form the most deprived group in the US population, with a poverty rate above 30 per cent. Hispanics' median income fell by a sharp 5.1 per cent last year, compared to a 2.2 per cent increase for whites and a 3.6 per cent rise in the earnings of black households.

It is the worsening position of the Hispanic population that might square the circle. Jeffrey Williamson, an economic historian at Harvard University, has compared the

than half the black population lived in poverty in 1959.

Hispanics' median income fell by a sharp 5.1 per cent last year, compared to a 2.2 per cent increase for whites and a 3.6 per cent rise in the earnings of black households.

It is the worsening position of the Hispanic population that might square the circle. Jeffrey Williamson, an economic historian at Harvard University, has compared the

trend increase in income inequality in the US between the late 1970s and late 1980s with the parallel growth in inequality in the late 19th century.

Both episodes took place in a context of a globalising world economy and rapid technical change, the two factors usually blamed for falling wages at the bottom end of the century.

Neither turned out to be entirely responsible for 19th century inequality, however, according to Prof Williamson's research.

Although technology played an important part, the key culprit was mass immigration.

Immigration is on the US political agenda with a vengeance, particularly illegal immigration from Mexico – from behind the Tortilla Curtain, as novelist T Coraghessan Boyle has put it.

The farewell legislation from Congress, before Representatives left Washington at the weekend to tend to their re-election campaigns, included new restrictions on immigration, although a bid to bar immigrants who could not prove they had a job paying an income of one and a half times the poverty level from bringing their families to join them ultimately failed.

The current Mexican wave of immigration, although much smaller than 19th-century migration to the great American cities, is precisely the kind of influx that might explain falling incomes in the segments of the labour market in which Hispanics are concentrated, whether regions like Texas and California or low-pay service sector jobs.

And in fact, new restrictions on assistance to legal immigrants who have not yet become citizens will mean further falls in Hispanics' median income from this year.

There are other forces that could explain why US unemployment rate as low as 5.1 per cent has not yet triggered any sign of wage inflation.

The Labor Secretary in the current Administration, Robert Reich,

argues that the power to pass on higher costs as higher prices has been permanently limited by increased competition.

The increase in competition has come about because there is less advantage to bigness these days, thanks to new technologies, so small firms have moved into niches of markets formerly cornered by big firms.

Furthermore, he argues that the composition of the "value added" in goods and services is increasingly composed of knowledge or skill, and decreasingly composed of raw materials and energy. Thus final goods prices are less vulnerable to commodity price inflation than they used to be.

Be that as it may, keeping inflation low will still mean that wages must increase only slowly. So far there has been little sign of rising wage costs as the US recovery continues.

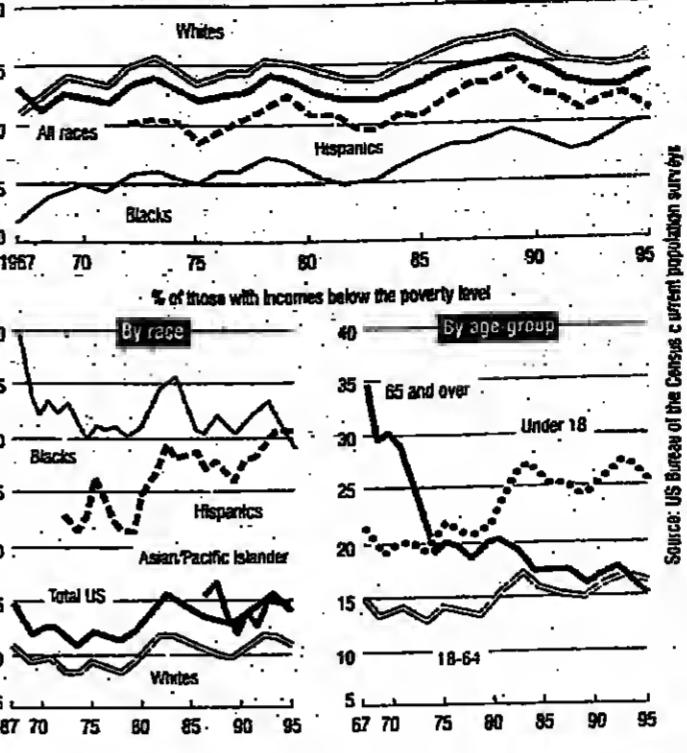
But the financial markets will continue to watch the earnings figure released with the monthly jobs and unemployment statistics. The next batch is due tomorrow. Wall Street has fallen sharply five times this year on the publication of these crucial numbers.

No matter what the structural changes in either goods markets, as Mr Reich argues, or in labour markets, as the immigration debate highlights, there will come a point at which inflation will climb – it is below the conventional estimate of 6 to 9 per cent. The range demonstrates just what an imprecise concept it is anyway.

But Mr Reich adds that compa-

## INCOME AND POVERTY IN AMERICA

median household income, adjusted for inflation in 1995 dollars, 000s



Source: US Bureau of the Census, current population survey

have not yet become citizens will mean further falls in Hispanics' median income from this year.

There are other forces that could explain why US unemployment rate as low as 5.1 per cent has not yet triggered any sign of wage inflation.

The Labor Secretary in the current Administration, Robert Reich,

has put forward two reasons for thinking that the "non-accelerating inflation rate of unemployment" – in other words, the rate at which inflation will climb – is below the conventional estimate of 6 to 9 per cent. The range demonstrates just what an imprecise concept it is anyway.

But Mr Reich adds that compa-

ny's power to pass on higher costs as higher prices has been permanently limited by increased competition.

The increase in competition has come about because there is less advantage to bigness these days, thanks to new technologies, so small firms have moved into niches of markets formerly cornered by big firms.

Furthermore, he argues that the composition of the "value added" in goods and services is increasingly composed of knowledge or skill, and decreasingly composed of raw materials and energy. Thus final goods prices are less vulnerable to commodity price inflation than they used to be.

Be that as it may, keeping inflation low will still mean that wages must increase only slowly. So far there has been little sign of rising wage costs as the US recovery continues.

But the financial markets will continue to watch the earnings figure released with the monthly jobs and unemployment statistics. The next batch is due tomorrow. Wall Street has fallen sharply five times this year on the publication of these crucial numbers.

No matter what the structural changes in either goods markets, as Mr Reich argues, or in labour markets, as the immigration debate highlights, there will come a point at which inflation will climb – it is below the conventional estimate of 6 to 9 per cent. The range demonstrates just what an imprecise concept it is anyway.

But Mr Reich adds that compa-

## Foreign Exchange Rates

Country	Sterling		Dollar		D-Mark	
	Spot	1 month	3 months	Spot	1 month	3 months
US	7.5	7.5	7.3	0.6254	0.6254	0.6254
Canada	2.077	2.077	2.077	1.0000	1.0000	1.0000
Germany	2.3772	2.3772	2.3772	1.0000	1.0000	1.0000
France	8.0443	8.0443	8.0443	1.0000	1.0000	1.0000
Italy	1.3739	1.3739	1.3739	0.9211	0.9210	0.9209
Japan	1.613	1.613	1.613	0.7242	0.7241	0.7241
ECU	1.2525	1.2525	1.2525	0.8089	0.8089	0.8089
Belgium	1.4944	1.4944	1.4944	0.8408	0.8408	0.8408
Denmark	3.9320	3.9315	3.9315	0.8750	0.8750	0.8750
Netherlands	2.6778	2.6778	2.6778	0.8750	0.8750	0.8750
Portugal	1.2012	1.2012	1.2012	0.8420	0.8420	0.8420
Spain	1.0242	1.0242	1.0242	0.8420	0.8420	0.8420
Australia	1.0367	1.0367	1.0367	0.8420	0.8420	0.8420
Hong Kong	12.00	12.00	12.00	0.8420	0.8420	0.8420
New Zealand	1.2269	1.2269	1.2269	0.8420	0.8420	0.8420
Sweden	1.5934	1.5934	1.5934	0.8420	0.8420	0.8420
Switzerland	1.9314	1.9314	1.9314	0.8420	0.8420	0.8420
United Kingdom	1.6102	1.6102	1.6102	0.8420	0.8420	0.8420
United States	1.6102	1.6102	1.6102	0.8420	0.8420	0.8420
Forward rates quoted high to low are at a discount; low quoted high to low are at a premium.						
Dollar rates quoted as reciprocals.						
For latest foreign exchange rates call 0891 123 3033.						
Call 2311 309 00 for minute (cheap rate) 40p other times.						

## Other Spot Rates

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	15648	15299	Hong Kong	12547	80200
Australia	167334	17021	Iceland	0.6025	0.3850
Brazil	15992	10212	Malta	570001	359300
China	129922	6307	Philippines	41126	262700
Egypt	5233	34051	Portugal	242638	155000
Finland	74602	47572	Qatar	58690	3645
Ghana	266227	170200	Russia	54748	54500
Greece	377290	240160	South Africa	7005	45390
India	557781	356500	Taiwan	430219	274000
Iran	0.4697	0.3001	UAE	57484	36731
Malta	1515	1021	United Kingdom	192000	127000
United States	1515	1021	United States	1515	1021
Forward rates quoted high to low are at a discount; low quoted high to low are at a premium.					
Dollar rates quoted as reciprocals.					
For latest foreign exchange rates call 0891 123 3033.					
Call 2311 309 00 for minute (cheap rate) 40p other times.					

## Interest Rates

|--|



## sport

## Hearing commentary from Aintree as he retrieved the ball, Shaw took longer over a throw-in than anyone in history

The comment "If I was a betting man, which I'm not of course..." crops up so frequently across the airwaves and in print that you sometimes have to wonder how bookmakers manage to stay in business.

Seems there are a lot of people out there with the quite curious notion that moral debasement will be inferred from the act of striking a wager. If it is true that they have never risked anything on a horse's nose - and lost, and cursed, and walked up again to bet on the next race - they are, missing out on one of life's more fascinating if often painful experiences.

Anyone in the habit of perusing what a distinguished American sportswriter, Red Smith, called the

"toy department" of newspapers will not be ignorant of the fact that fortunes were paid out at roll-up odds of more than 25,000-1 when Frankie Dettori brought in all seven winners last Saturday at Ascot.

Not to the heavy brigade, who doubtless considered this remarkable feat to be about as probable as coming across a generous bookmaker, but innocent types referred to commonly as mug punters. According to a Ladbrokes representative, quite a few were £26,000 better off for a small stake.

Unfortunately, they did not include my friend and racing guru Dave Prescott, who went to the Ascot meeting armed with information that the most likely of four runners being sent out by Guy Harwood was

Northern Fleet in the last. "If it takes your fancy, have a score (£20) for me," I said.

Recently, I fell into conversation with Prescott over the stupidity of idle betting. "How many times have you watched racing on television and had a bet just for the sake of it?" he said. "How many times have you set off with a clear idea, got ahead of the game and then suffered from the temptation to bet on every race?"

This was not the way of things last week, however. When acting on the information he had been given, Prescott found himself opposed to the making of history.

At odds of 9-1, Northern Fleet under Pat Eddery seemed to have a decent chance, and sure enough it

came to threaten. "The place was in uproar," Prescott said. "It felt as though I was the only one not shouting for Dettori on Fujiyama Crest." Beaten a neck. Another turn-up ticket.

Of course, losing bets make the best gambling stories. One concerns a couple of characters who popped up in this column recently, the rascally Sulky Gowers and Jimmie Logie, who captained Arsenal when one of the finest inside-forwards of his generation.

Having fallen out with the club's authorities, Logie took the extraordinary step of joining Gravesend and Northfleet in the old Southern League. Seeking to repair the damage done by slow horses, Logie went for a handsome signing-on fee and three times the maximum wage of £20 per week that Football League clubs were then permitted to pay.

Logie teamed up at Gravesend with another former Arsenal player and enthusiastic punter, Arthur Shaw, who was once advised by Sulky to give up football, take three

months in etiquette and become his butler.

Acting on Sulky's advice, and living in other members of the team, they were on Devon Loch in the 1956 Grand National. Because the race took place 20 minutes after kick-off time, Shaw arranged for a friend to stand at the front of an enclosure on the half-way line so that he could be immediately informed of the result.

Hearing commentary from Aintree as he retrieved the ball, Shaw took longer over a throw-in than anyone in history. Devon Loch was clear at the Elbow and sounded a certain winner. All over bar the shouting. When this news was passed around, the joy was such that Gravesend were soon losing.

Coming in at half-time, Shaw was puzzled by the sad look that greeted him. "It got beat Arthur," his friend said. "Flaming thing spread its legs on the run-in."

For a rather different reason I remember the 1983 Grand National vividly. Looking for a third horse to make up forecasts with Corbiere and Gresepaint, I came across the prediction that an Irish entry, Yer Man at 70-1, would get round.

Working for BBC Grandstand, I listened to the race while watching a football match at Luton. "It's Corbiere, Gresepaint and third, Yer Man," I found the first three, written them down in the correct order, but ignored the tricaster. I still have a photocopy of the slip. Cost me £14,000.

## The quiet terrace revolution



The new breed of supporter is female, childless and coming to a game near you. **Mike Rowbottom** reports in the third part of our series

There is a new kind of football supporter in the British game. Female. Without children. Committed to a team which is hers, rather than her father's or her boyfriend's.

The evidence comes from the annual Premiership survey, the latest of which will be published later this month and which draws on 20,470 responses from Premiership supporters. 85 per cent of them season-ticket holders.

As with last year's survey, the indication is that one in every eight football supporters is a woman. It also appears to confirm that the improved atmosphere within most football grounds in the last few years has been a big factor in attracting women to the game.

But the new data, according to Professor John Williams of the Chester Centre for Football Research, offers a clearer picture of female supporters. "One of the main points the survey indicates this year is that it's wrong to equate female fans with the family," Williams said.

"Something like 55 per cent of the female respondents are in a long-term relationship or living with a partner, but don't

have children. There are some female supporters whose sons or partners are not interested in football. In certain cases, we see women escaping traditional domestic responsibilities - some are going to the game and leaving their partners to look after the kids."

Before widespread jubilation breaks out over the breaking of another stereotype, however, it should be pointed out that the survey also shows traditional areas of male domination remain intact.

"There seems to be more physical and cultural space for women at the smaller clubs," Williams said. "In the big city clubs, the commitment is more intense and the culture is more masculine."

Now 30, Caroline works in London, where she is a deputy catering manager at a University of London student hall. Her Saturday morning shifts just about fit in with watching her favourite team - a 10-minute dash gets her to Euston in time to catch the 12.15 train to her home city.

Following Coventry's fortunes since the days of Jim Blyth, Willie Carr and Ernie



Photographs: Empics/Allsport

Caroline Partridge, who has been a Coventry City supporter since her grandfather took her to see reserve matches when she was five years old. "It got into my blood, and it stayed," she said. "It's a habit which doesn't die."

Now 30, Caroline works in London, where she is a deputy catering manager at a University of London student hall. Her Saturday morning shifts just about fit in with watching her favourite team - a 10-minute dash gets her to Euston in time to catch the 12.15 train to her home city.

There has never been a question of her changing to another club. She met her boyfriend, Andy, while returning from a Coventry game.

He is a London-based Manchester City fan, but the thought that she might travel to see a different team of sky blues was not considered. "On a match day,

Hunt has proved something of a trial for her - as it has for no doubt for every other supporter.

"They never seem to catch fire," she says diplomatically. "The only time they did combust in a big way, when they won the 1987 FA Cup, she was unable to get a ticket as she was serving in Northern Ireland with the Army."

There has never been a question of her changing to another club. She met her boyfriend, Andy, while returning from a Coventry game.

Caroline often travels to

London supporters group, goes in one direction, I go in the other." Bang goes another stereotype.

When Caroline goes up for a home game, she is often joined by her mother, Sheila, and says: "The season-ticket holders next to me all move up one." But there is no convincing her father, Tony, to join the party.

"He doesn't like football," she said. "We took him to a match at Nottingham Forest a few years ago when we got squashed and couldn't see the goals because of the floodlights."

Caroline often travels to

London supporters group, Sarah, a 26-year-old secretary in the BBC sports department, has been watching the Sky Blues regularly since she was 14.

"At first I used to get asked why I wasn't shopping with my friends on a Saturday. But I just laughed it off. I said I would rather be here watching this."

Sarah, who edits the travel group's quarterly newsletter, "Sky Blue Special", went out to Italy to support England in the 1990 World Cup and also saw England lose their crucial World Cup qualifying match in Rotterdam two years ago.

"That was the only time I've

felt really threatened at a match," she said. "The Dutch

fans were throwing coins at us before the match, and then they threw a flare. Some of the seats around me got thrown back. I was hiding under mine."

Such scenes, thankfully, have not been repeated within these shores, although she does take some precautions. "I don't tend to wear my colours in the North-east, because they are so fanatical up there. We might not get any trouble, but we have to think of the lads we are with."

Sarah's boyfriend, Neil, is another Manchester City fan. And no, she does not even think about going to Maine Road instead.

"Football, it seems, is finding a new bedrock of support."

## Nolan puts accent on defence

Home for Ian Nolan used to be the non-League circuit, playing for such clubs as Northwich Victoria and Marine. On Saturday, however, the former Preston apprentice will step on to the World Cup stage with Northern Ireland when they face Armenia at Windsor Park.

The 26-year-old Sheffield Wednesday defender was called up after the Northern Ireland manager, Bryan Hamilton, did some detective work following his side's defeat by Ukraine in the opening qualifier last month.

Hamilton discovered that Nolan's grandparents came from County Antrim, and now Wednesday's left-back looks certain to switch sides in defence and make his international debut at Belfast in a match the

Irish dare not lose.

"My manager, David Pleat, called me into his office a couple of weeks ago," Nolan said yesterday. "Bryan Hamilton had been on the phone, wondering how I would feel about being part of the Northern Ireland set-up."

"I am delighted to get this chance as every player worth his salt wants to play at international level. Obviously I know a lot of the facts because I play against them in the Premiership, but I don't know any of them that well. The thing that is causing me most difficulty is the Irish accent. I'm finding it hard to pick up what they are saying."

Nolan is in his third season at Hillsborough, after his former manager Trevor Francis spent

£1.5m to sign him from Nationwide League side Tranmere, who have missed out on a £200,000 bonus because he has opted to play for the Irish rather than wait for an England call-up.

Graham Mackrell, the Wednesday secretary, said:

"The agreement was that we would have paid a certain sum to Tranmere if he had been picked for England, not Northern Ireland."

Hamilton knows a victory is vital on Saturday as his side's next match involves a visit to the European champions, Germany, on 9 November.

Armenia are widely accepted

as being one of the weakest

nationalities, although they drew 0-0 against Portugal in their opening qualifier.

## Zaragoza demand a replay

Real Zaragoza want to replay the last 20 minutes of Sunday's Spanish League game with Barcelona which they had been leading 3-2 but ended up losing 5-3 after a linesman gave a controversial penalty.

Television coverage suggests that the linesman, Rafael Guerrero, mistook the Zaragoza defender, Xavier Aguado for team-mate Jesus Solana, and that he may have been wrong to tell the referee, Enrique Mejuto, to award a penalty.

Zaragoza have also sent football authorities a video of what they believe to be a series of bad refereeing decisions made against them this season.

The Spanish league disciplinary committee suspended neither Aguado nor Solana in its

meeting on Tuesday. The incident has become a major talking-point in Spain.

Barcelona's Fernando Couto has been accused of over-reacting by falling to the ground when pushed from behind by Solana, a view apparently reflected even by the Barcelona coach, Bobby Robson. "Couto was intelligent, but not Solana," Robson said.

Meanwhile the obscenity-charged conversation between the two officials is becoming the stuff of legend. Atletico Madrid supporters chanted the more memorable phrases in Monday's game against Hercules.

Michael Robinson, the former Liverpool forward now a successful television commentator, also saw the comic side of

the incident. "If I were a bank robber, I'd like to have him as a witness," Robinson said of the linesman, Guerrero, who has seen his life in a remote rural region disrupted by telephone threats.

But he has turned down an offer of time off from his work as a caretaker at a school, which itself has been daubed with graffiti.

Gigi Maifredi, the former Juventus coach, has quit after just a few weeks as coach of the leading Tunisian side, Esperance. Maifredi's departure follows disagreements with club officials, sources said on Wednesday.

Maifredi, who made his name by taking Bologna to the First Division in the late 1980s, was in charge of Juventus in the 1990/91 season when

they finished seventh. He also coached Genoa and Brescia.

VfB Stuttgart, leaders of the German Bundesliga, scraped into the third round of the German Cup on Tuesday night, winning 6-5 on penalties after two players were sent off against the Second Division team, Hertha Berlin.

The midfielder, Fabrice Moreau, has joined the exodus of French players to foreign clubs this season by moving to the Spanish First Division side, Rayo Vallecano, from Toulon for one million francs (£130,000). About 30 French players are playing their trade with foreign clubs this season. The traffic has been two-way, with 40 foreigners joining French First Division clubs.

## McCracken cracks on Boxing

McCracken was relieved to overcome his rugged opponent from Toronto, whom he had beaten on points to win the vacant title last November.

He added: "I am sure that, throughout the rest of my career, I will never come up against anyone as awkward."

"Always felt in control. Even though I let him back into the fight in the sixth round, it was able to step up a gear after that."

McCracken, ranked No 2 by the International Boxing Federation, is likely to be guided towards a challenge for the European title by his manager, Mickey Duff, before bidding for world honours.

Duff said: "I have guided Robert McCracken to the Commonwealth title and hopefully he will fight for the European title in six months and the world title later next year."

To the ecstasy of Baltimoreans and the misery of Clevelanders, the Orioles dispatched the Indians 10-4 in Tuesday's opening American League play-off game. But the talk of baseball is not Bobby Bonilla's grand slam homer which clinched the victory. It is the less exalted matter of spit, or more precisely the expectoration which Bonilla's team-mate Roberto Alomar had to physically restrain from attacking Alomar. Who can blame him?

Spitting has a long history in baseball. The spitball is part of the sport's legend, outlawed in 1920 but even now surreptitiously and occasionally practised. Players would spit tobacco, too (if that was banned in this anti-tobacco age), and many spit into the ground to relax during

an at-bat. What you do not do is spit at the umpire. That alone would have made the Alomar affair remarkable, even without his gratuitously offensive postscript that John Hirschbeck had become "real bitter" since the death of his seven-year-old son of a rare genetic disease three years ago. When he heard about that remark, the umpire had to be physically restrained from attacking Alomar. Who can blame him?

Players and umpires squaring up is nothing new. More than any sport, baseball tolerates a measure of dissent. The ritual hardly varies: as in the Alomar case, a dubious third strike is called, a beady batter protests to a big-bellied home-plate umpire, eyeball to eyeball they glare at each other, and the F-word

starts to fly. Blows and spit do not. At that point, either the manager intervenes and hauls the batter off to the dug-out, or the player and/or manager are ejected from the game. The worst that usually happens is suspension for a game or two.

This time, the American League (in which the Orioles play) gave him a routine suspension of five games. The player appealed, and the matter was put off to an unspecified date. The umpires were outraged and threatened to strike through the play-offs unless Alomar was suspended with immediate effect, ensuring he missed some games which really mattered. On

any yardstick, a five-day suspension is a joke. Alomar is one of the finest baseball players of his generation - a graceful hitter from both sides of the plate, an electrifying base-runner, and a dazzling defensive second baseman. For these skills the Baltimore Orioles pay him \$6m (£4m) a year. Missing five out of 162 regular season games would be barely noticed by either club or player (other than the loss of \$180,000 in wages, a pittance for Alomar but more than the annual salary of a Major League umpire). To have meaning, a suspension may be drafted in, and if Alomar is given the punishment most people (including most Orioles fans) think he merits, then the Players' Union may down tools again. Incredible it may sound, but in baseball anything is possible.

That may yet be decided today. But almost anywhere else, in almost any other sport, punishment would be severe and automatic. For Paul Gascoigne, Alan Shearer or the journeyman Third Division full-back alike, a red card means suspension - even if the next game is the World Cup final. But baseball has long since dispensed with the concept of discipline. Since the owners sacked Commissioner Paul Vincent in 1992, the sport has been without an ultimate independent authority able to grasp the ethical and PR disaster the game's rulers were inflicting upon it with their handling of the Alomar incident. But baseball is run by self-interested factions of owners, unions, players' agents and lawyers. And now they are souring, if not wrecking, the post-season. But does baseball care? No, it just spits in your face.

McCracken was relieved to overcome his rugged opponent from Toronto, whom he had beaten on points to win the vacant title last November.

ball,  
story

# Cricket boldly going where it has never been before

A question for Ally McCoist and John Parrott. Which sport staged international tournaments in the past month in Kuala Lumpur, Hong Kong, Toronto and Nairobi?

The answer is cricket which, at long last, is breaking free of the self-imposed claustrophobia that has largely confined it to nine Commonwealth countries.

In the space of three weeks those fierce arch-rivals India and Pakistan contested five one-day internationals in the unfamiliar neutral setting of Canada's largest city, 12 countries as geographically diverse as Japan, the United Arab Emirates, the Maldives and Fiji met in the inaugural Asian

Cricket Council (ACC) Pepsi Trophy in the Malaysian capital and eight of the nine full members of the International Cricket Council (ICC) participated under the lights of the ultra-modern Hong Kong Stadium in the sixth six-a-side tournament there, the first granted ICC recognition.

At the moment Sri Lanka, the World Cup champions, Pakistan and South Africa have joined the host nation in the first tournament to Kenya to attract such eminent participants—and to be accorded full ICC status.

Tomorrow, Canada and Bermuda enter the mainstream of West Indies cricket for the first time as part of the annual

## Tony Cozler assesses the increasing 'globalisation' of the game

terbury, is an influential, hands-on president of the Association.

The initiatives for all this have been taken mainly by administrators far removed from the traditional powerbase at Lord's, headquarters of both the MCC and the ICC.

The Asian Cricket Council, formed six years ago principally on the instigation of the secretary of the Indian Board and ICC presidential candidate Jagmohan Dalmiya, staged the event in Malaysia. There the king's son, Tunku Imran, like David Gover an old boy of King's School, Can-

ton has been the development and acceptance of the one-day game. None of the associates has a professional league and their cricket is restricted to the limited over variety which offers more of a chance of competing realistically. Zimbabwe, for instance, defeated Australia, and Kenya humbled the West Indians in their first appearances in London when England happened to win a rare Test match.

Satellite television has been essential to the game's new flag-look, ESN, the American sports channel that has recently set up in Asia, has paid \$1.8m (£1.2m) for the India-Pakistan contest in Toronto over five years, satisfied it will gain millions of new viewers on the sub-continent.

British politics, it still attracted 13,000 cosmopolitan spectators who revelled in the excitement of constant six-hits and action.

Among them were David Richards, the chief executive officer of the ICC, and Shi Tian Shu of the China Sports Exchange Centre, who left keen to carry the international tournament to Peking, where there is already an annual Sixes among Commonwealth embassies and touring club teams.

"We had a useful conversation and we're certainly open to any requests for assistance," Richards said. If the ICC can get the Chinese playing this intricate game, that really would be a revolution.

Lee close  
to finding  
his ma-

## Supporting cast steal limelight

### Rugby League

DAVE HADFIELD  
reports from Churchill Park, Laulau, Fiji

16

Great Britain

Two of the more debatable choices for the Lions' tour took leading roles as Great Britain maintained their perfect record in Oceania with a convincing win over a Fijian second-string side.

The St Helens stand-off and loose forward Karl Hammond scraped on to the plane as a late replacement for the injured Shaun Edwards, winning recognition for his role in his club's surge to the first Super League title. Hammond is regarded more as a creator than as a prolific score of tries, but his hat-trick yesterday put him out on his own as the leading try-scorer on the tour.

Hammond admits that he had virtually given up hope of winning a tour place, but he now has his eyes on winning a place in the 17-man Test squad. "I'd give my right arm to play a Test for my country," he said. "It's hit of a shock to be top try-scorer, but it's just a matter of backing up the players who make the breaks."

If Hammond was a logical choice to make the tour—albeit always a risk attached to bringing Neil Harmon, who had been out of contract with Leeds and had not played a match since the middle of June.

And things did not start well for him on tour; he was helped off with concussion within two minutes of his first appearance, at Mt Hagen last week. So yesterday was his first opportunity

to accumulate some much-needed match practice. "I've been training all through the summer, but match fitness is something else altogether," Harmon said. "I asked [coach] Phil Larder to leave me on for as long as he could and I got 70-odd minutes. My goal now is to get into the Test team in New Zealand."

Terry O'Connor, who performed equally well alongside Harmon in the front row, could be the favourite for a place on the bench in the Test against Fiji on Saturday, when Great Britain can expect a far sterner challenge than they faced from the President's XIII.

The Lions were 120 up before the overawed Fijians had stepped into their opponents' half, with Joey Hayes scoring the first from Hammond's kick and then Hammond himself touching down. Tuilani Tollett, Keith Senior and Mick Cassidy followed with tries before half-time.

The tourists lost a little of

their concentration and defensive bite after the break against a team that looked far more comfortable running at the opposition. The Fijians produced three tries in the second spell.

But the completion of Hammond's hat-trick, plus a further try from Jason Critchley, kept Great Britain well out in front, despite losing Tollett to the sin-bin for dissent in what he described afterwards as a case of mistaken identity.

If Hammond was a logical choice to make the tour—albeit always a risk attached to bringing Neil Harmon, who had been out of contract with Leeds and had not played a match since the middle of June.

And things did not start well for him on tour; he was helped off with concussion within two minutes of his first appearance, at Mt Hagen last week. So yesterday was his first opportunity

to accumulate some much-needed match practice. "I've been training all through the summer, but match fitness is something else altogether," Harmon said. "I asked [coach] Phil Larder to leave me on for as long as he could and I got 70-odd minutes. My goal now is to get into the Test team in New Zealand."

Terry O'Connor, who performed equally well alongside Harmon in the front row, could be the favourite for a place on the bench in the Test against Fiji on Saturday, when Great Britain can expect a far sterner challenge than they faced from the President's XIII.

The Lions were 120 up before the overawed Fijians had stepped into their opponents' half, with Joey Hayes scoring the first from Hammond's kick and then Hammond himself touching down. Tuilani Tollett, Keith Senior and Mick Cassidy followed with tries before half-time.

The tourists lost a little of

their concentration and defensive bite after the break against a team that looked far more comfortable running at the opposition. The Fijians produced three tries in the second spell.

But the completion of Hammond's hat-trick, plus a further try from Jason Critchley, kept Great Britain well out in front, despite losing Tollett to the sin-bin for dissent in what he described afterwards as a case of mistaken identity.

If Hammond was a logical choice to make the tour—albeit always a risk attached to bringing Neil Harmon, who had been out of contract with Leeds and had not played a match since the middle of June.

And things did not start well for him on tour; he was helped off with concussion within two minutes of his first appearance, at Mt Hagen last week. So yesterday was his first opportunity



Photograph: Victoria Matthers

## Snubbed South Wales pull out of League

South Wales, denied a place in the Super League by an about-turn from their fellow clubs, have pulled out of the Rugby Football League.

The Cardiff-based club, who were in the Second Division in their first season this summer, were not to be ready for the Super League and were offered a First Division place for 1997.

I'm personally disappointed but they still have plans to apply for Super League for either 1998 or beyond."

The former Welsh rugby league international Mike Nicholas, the man behind the formation of South Wales, said: "The only way to make it work is to have the profile of Super League. It's not viable for us to

play in the First Division. We were ready for Super League and we were given it only for it to be taken away from us."

The loss of South Wales will mean that 11 clubs will operate in the First and Second Divisions and they will have an extended season running from 1 March to 5 October to take in a new play-off on Saturday week.

It is also understood that Sky

are making a move to cover

matches in the Five Nations tournament following the deal struck independently by Eng-

## Gatting steps in for Gooch

### Cricket

unbeaten on 170 during Essex's final Championship match of the season against Glamorgan at Chelmsford last month, to visit his father in hospital.

Lancashire have come under fire from members angry at the team's disastrous Championship showing last season. The club completed a Benson and Hedges Cup and NatWest Trophy double but have not won the Championship outright since 1934 and finished 15th in 1996—their worst finish of the decade.

At a club meeting on Tuesday, members accused players of not showing full commitment and demanded better Old Trafford pitches to help produce results. But the club chairman, Bob Bennett, said: "This committee runs this club and the members voted in—and we will continue to do the job our way."

Tim Lamb, the Test and County Cricket Board's chief executive, said: "Obviously it is unfortunate for Graham, but we are lucky to have someone to take his place of similar calibre and international experience."

Gooch was forced to retire

## Spartacus takes Cassan back to the top

### Equestrianism

GENEVIEVE MURPHY

reports from Wembley

Tina Cassan may be on her way back to the top level of show jumping, thanks to Spartacus and Finchpalm Fujiyama, with whom she finished first and third in yesterday's SGC National Grade C Championship on the opening day of The Horse of the Year Show.

The two eight-year-olds are "without any doubt" the best two mounts Cassan has ridden since Genesis was sold in 1993, following the death of his owner, Fred Brown. Cassan gained the first of her two Queen's Cup victories on Genesis in 1992 and after the horse was sold abroad, she was left to bring on novices. Yesterday's two arrived in her yard in January and she finds it impossible to say which of them is the more talented.

Emma Edwards gained her first Wembley win when she

rode her mare, Woodlands Clover, to win the earlier Toggi Wager which was decided since Corolla died from colic in 1993, the year he won a team silver medal in the European Championships. Armstrong, who dislocated his shoulder three weeks ago, is equally positive that Iwan is the best horse he has ridden since the loss of his top mount.

Edwards had been up all the previous night at her stables nursing a horse that almost died

through colic. It was reported to be on the mend by the time she jumped the winning round.

Having been third of the 61 horses to jump, Edwards had not expected to retain the lead.

Nor had Sarah Marshall, who was third into the jump-off for the Squibby and Davies Junior Footmaner Championship.

For the first time in 10 years, the SGC National Grade C Championship was won by a team.

Edwards' team, Cassan, Iwan, Iwan and Iwan, had a clear round.

Mark Armstrong, who finished second on six-year-old Iwan, has been in much the same situation since Corolla died from colic in 1993, the year he won a team silver medal in the European Championships.

Armstrong, who dislocated his shoulder three weeks ago, is equally positive that Iwan is the best horse he has ridden since the loss of his top mount.

Edwards had been up all the previous night at her stables nursing a horse that almost died

through colic. It was reported to be on the mend by the time she jumped the winning round.

Having been third of the 61 horses to jump, Edwards had not expected to retain the lead.

Nor had Sarah Marshall, who was third into the jump-off for the Squibby and Davies Junior Footmaner Championship.

For the first time in 10 years, the SGC National Grade C Championship was won by a team.

Edwards' team, Cassan, Iwan, Iwan and Iwan, had a clear round.

Mark Armstrong, who finished second on six-year-old Iwan, has been in much the same situation since Corolla died from colic in 1993, the year he won a team silver medal in the European Championships.

Armstrong, who dislocated his shoulder three weeks ago, is equally positive that Iwan is the best horse he has ridden since the loss of his top mount.

Edwards had been up all the previous night at her stables nursing a horse that almost died

through colic. It was reported to be on the mend by the time she jumped the winning round.

Having been third of the 61 horses to jump, Edwards had not expected to retain the lead.

Nor had Sarah Marshall, who was third into the jump-off for the Squibby and Davies Junior Footmaner Championship.

For the first time in 10 years, the SGC National Grade C Championship was won by a team.

Edwards' team, Cassan, Iwan, Iwan and Iwan, had a clear round.

Mark Armstrong, who finished second on six-year-old Iwan, has been in much the same situation since Corolla died from colic in 1993, the year he won a team silver medal in the European Championships.

Armstrong, who dislocated his shoulder three weeks ago, is equally positive that Iwan is the best horse he has ridden since the loss of his top mount.

Edwards had been up all the previous night at her stables nursing a horse that almost died

through colic. It was reported to be on the mend by the time she jumped the winning round.

Having been third of the 61 horses to jump, Edwards had not expected to retain the lead.

Nor had Sarah Marshall, who was third into the jump-off for the Squibby and Davies Junior Footmaner Championship.

For the first time in 10 years, the SGC National Grade C Championship was won by a team.

Edwards' team, Cassan, Iwan, Iwan and Iwan, had a clear round.

Mark Armstrong, who finished second on six-year-old Iwan, has been in much the same situation since Corolla died from colic in 1993, the year he won a team silver medal in the European Championships.

Armstrong, who dislocated his shoulder three weeks ago, is equally positive that Iwan is the best horse he has ridden since the loss of his top mount.

Edwards had been up all the previous night at her stables nursing a horse that almost died

through colic. It was reported to be on the mend by the time she jumped the winning round.

Having been third of the 61 horses to jump, Edwards had not expected to retain the lead.

Nor had Sarah Marshall, who was third into the jump-off for the Squibby and Davies Junior Footmaner Championship.

For the first time in 10 years, the SGC National Grade C Championship was won by a team.

Edwards' team, Cassan, Iwan, Iwan and Iwan, had a clear round.

Mark Armstrong, who finished second on six-year-old Iwan, has been in much the same situation since Corolla died from colic in 1993, the year he won a team silver medal in the European Championships.

Armstrong, who dislocated his shoulder three weeks ago, is equally positive that Iwan is the best horse he has ridden since the loss of his top mount.

Edwards had been up all the previous night at her stables nursing a horse that almost died

through colic. It was reported to be on the mend by the time she jumped the winning round.

Having been third of the 61 horses to jump, Edwards had not expected to retain the lead.

Nor had Sarah Marshall, who was third into the jump-off for the Squibby and Davies Junior Footmaner Championship.

For the first time in 10 years, the SGC National Grade C Championship was won by a team.

Edwards' team, Cassan, Iwan, Iwan and Iwan, had a clear round.

Mark Armstrong, who finished second on six-year-old Iwan, has been in much the same situation since Corolla died from colic in 1993, the year he won a team silver medal in the European Championships.

# SPORT

Direct face-to-face hostility is part of the manager's lot. Time noms, the nerve endings, but even those with skin the thickness of an old bull elephant have their sensitivity pierced at times. In tomorrow's Independent, HOWARD WILKINSON on the precarious life of a football manager



Afternoon delight: Matthew Le Tissier (left) and the coach, Glenn Hoddle (right), flank the England squad as they enjoy the novelty of extended training after lunch at Bisham Abbey yesterday

Photograph: David Ashdown

## England warming to week at Club Hoddle

### Football

GLENN MOORE



The football pitches at Bisham Abbey are usually quiet by late afternoon on an England week.

just a few advertising boards standing sentinel after the earlier exertions. The players would be back in the hotel playing cards, watching a video or trying to avoid Paul Gascoigne's practical jokes. But that was before Glenn Hoddle

became England coach. Yesterday his players were still on the training ground at 4pm, almost an hour after the session was scheduled to finish.

England, under Hoddle, have gone Continental. Yesterday was the first of seven days building up to next Wednesday's World Cup qualifier against Poland at Wembley. Week-long preparation periods have become more frequent in recent years but under Hoddle they are both more intensive and complete - unlike Terry Venables he will not be allowing his players home at weekends.

"They can still have a drink at the right time," Hoddle said. "They are not schoolkids but it will be controlled - nothing over the top. There is a line to be drawn, but you do not want to let the players know where it is."

"This is the way they do it abroad for clubs and at international level. If we are going to do well then a certain amount of sacrifice is required from the players, myself and everyone. You cannot do it without that sort of dedication. That is what is needed. Others may see it differently but what is needed is the most important thing."

Hoddle does not speak light-

ly of sacrifice; though he probably lives closer to the team hotel than anyone, he will not be going home either.

There are benefits on and off the pitch," Hoddle said. "It gives me time to work out characters and gives me more scope in training. I can work hard some sessions but also have relaxing ones."

"Seven days is enough to get the team spirit going and to do what we need. If we will be broken up - we will train at Wembley and there will be a leisure day when they can play golf, go fishing or visit the cinema."

Steve McManaman agrees that the week together would help rekindle the mood of Euro 96. The Liverpool winger - who has even gone so far as to stay in the same room - said: "We've got no problem with it at all. The players enjoy each other's company, there's plenty to do with video, table tennis and whatnot."

Hoddle added: "In an ideal world we would have, seven days for every game but it is not an ideal world and I may have to be flexible."

He already has in allowing Manchester United's three representatives to arrive today af-

ter attending a charity function yesterday. Also missing yesterday's training were injury victims Dominic Mattei (knee), Robbie Fowler (ankle), Ian Walker (back) and Sol Campbell. The Liverpool pair are the more seriously troubled and Hoddle will decide at the weekend if they are fit.

Ticket sales have gone past 60,000 for Hoddle's first home match as England coach. "I'm going to be very proud," he said. "I've had a great story with Wembley, I played there for England as a 21-year-old, I hope it continues."

One veteran commentator also thought back to those days and recalled Hoddle being one of a group of players revealed to be in a club late one night before an England game. The players initially denied the allegation only for Ron Greenwood, the then manager, to have said: "I don't know why they denied it - we did not have a curfew." They do say poachers become the best gamekeepers but Hoddle also has a sense of perspective. "The image of the team and himself is part of the job but not No 1. The priority is to qualify."

## Dublin consortium contacts Dons

GUY HODGSON

Contrary to denials by Wimbleton's owner, Sam Hammam, negotiations have opened to move the club to Dublin. A consortium led by the manager of the rock group U2, Paul McGuinness, and a Cork property developer, Owen O'Callaghan, has made an approach to buy a 74 per cent shareholding with the long-term intention of taking the club to Ireland.

The deal would cost the Irish investors around £20m, of which half would be made available to the manager, Joe Kinnear, for players. This would be on top of

the estimated £60m required to build a new 40,000-seat national stadium on land owned by O'Callaghan in Dublin.

Planning permission has already been gained for the project, but the earliest Wimbleton could move in would be August 1999. Under the tentative plans, Hammam would retain 26 per cent of the club and would continue as chief executive.

However, there is no guarantee that Wimbleton, who currently share Crystal Palace's Selhurst Park ground, would gain the sanction of the Premier League, the Football Association or the FA of Ireland. Salvatore Cuccu, a spokesman for

Uefa, European football's governing body, stressed: "Wimbleton are an English club with a home in England and Uefa is not in favour of them moving to a foreign country."

Middlesbrough have told their Italian striker, Fabrizio Ravanelli, who will not be going to Manchester United - or anywhere else. The £7m summer signing from Juventus sparked transfer speculation on Tuesday when he reportedly declared an interest in playing for United, who denied making a £10m offer for Ravanelli.

Yesterday Keith Lamb, Middlesbrough's chief executive, said: "We have read and heard

the stories, but there is absolutely no truth in them." Ravanelli, meanwhile, said that he would be happy to sign a two-year extension to his four-year contract, if Middlesbrough wanted him to.

Everton have lodged an official complaint with Fifa, football's world governing body, about the activities of an agent whom they claim has approached their winger, Andrei Kanchelskis, about a possible move to the Italian side, Fiorentina.

Aston Villa have agreed to a transfer request from their 36-year-old Republic of Ireland defender, Paul McGrath. Brian Little, the Villa manager, said:

## Brighton fans target Archer

Brighton supporters are to step up the pressure on the club's chairman, Bill Archer, by making a 250-mile trip to his Lancashire home to demand his resignation.

Ian Hart, an official of the Brighton Independent Supporters' Association, said that a substantial number of fans will protest outside Archer's home in the village of Mellor, near Blackburn, the night before Saturday's Third Division game at Wigan.

It is the latest part of the campaign to force Archer to quit after demonstrations during Tuesday's 3-1 defeat at home to Lincoln forced play to be halted in the first half for 15 minutes.

Supporters are still angry at the decision of Archer and the Brighton board to sell the Goldstone Ground and also at the breakdown in talks with the consortium, headed by the businessman Dick Knight, which wants to take over the club.

Archer was unavailable for comment, but he will be waiting to see how severe the action to be taken by the Football Association will be, after the hold-up when 150 supporters congregated in the centre circle after Lincoln's opening goal.

At the very least, Brighton seem certain to be play one match behind closed doors and have three points deducted - the product of the suspended sentence given to them by the FA after fans caused the abandonment of the game with York in April.

Birmingham City have agreed to sell Mike Newell following his surprise transfer request after only 70 days at St Andrew's. After a meeting with the player yesterday, the City manager, Trevor Francis, accepted Newell's explanation that he wanted to leave for personal reasons.

Francis said: "Basically he has not settled too well in the area. He has been in a hotel for a couple of months and he is missing his family."

The Nationwide League's First Division clubs have narrowly voted in favour of extending the rule that allows clubs to call off League matches because of international call-ups to include Under-21 players. Until now only clubs with three or more players in senior international squads could postpone fixtures.

The change will be welcomed by clubs such as Charlton, Norwich and Ipswich, who have a string of talented young players, and by Cardiff and Wrexham, whose players form the backbone of the Wales Under-21 squad.

Charlton's home game with Barnsley on Saturday has been postponed because the London club have Richard Rufus and Shaun Newton in the England Under-21 squad, as well as John Robinson in the Wales senior squad. Ipswich against Swindon is also off.

## MORSE

Unix and NT.  
Brought together by  
Hewlett-Packard.  
(And Morse).



Whilst others may regard UNIX and NT like repelling magnets, Hewlett-Packard and Morse are bringing them together.

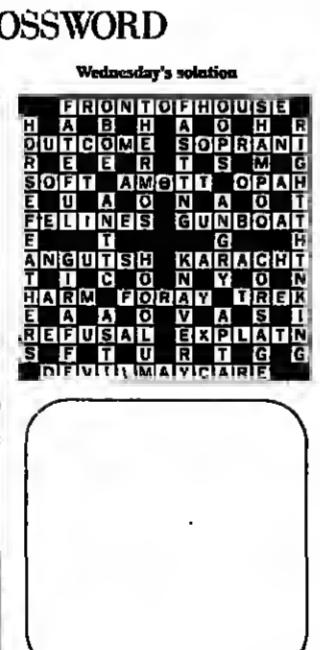
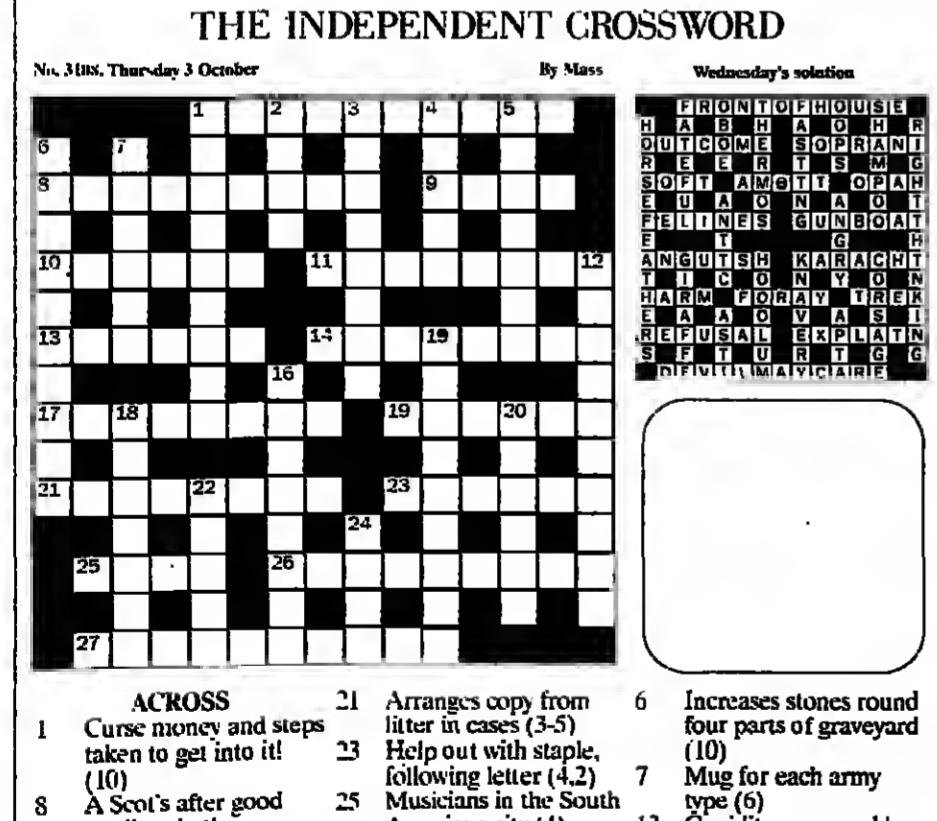
Both operating systems are supported within the HP range of business servers. The choice is the customer's, based on their computing needs.

Morse can integrate these systems on the same network - sharing resources and delivering applications to users through the most sensible route.



MorseData

0800 22 88 88



## Rusedski relying on his serve

### Tennis

aces he fired during the 80-minute match.

The French Open winner, Yevgeny Kafelnikov, stepped up a gear to beat Czech Petr Korda 6-4, 6-3 in the second round of the Lyon Grand Prix yesterday - and then said his best form was still to come.

Kafelnikov, the second seed, had been stretched to the limit to beat another Czech, Daniel Vacek, in three sets in the opening round. "I played much better than yesterday," he said afterwards. "But I'm not at my best yet."

The fourth seed, Marcelo Rios of Chile, and the Swede Thomas Enqvist, seeded fifth, also progressed into the third round.

Enqvist, who saved three match points in his first-round match against Australia's Jason Stoltenberg, beat the Italian

qualifier Gianluca Pozzi 6-3, 6-3. Rios cruised to a 6-3, 6-2 victory over Sweden's Mikael Tillstrom in just 52 minutes.

Fresh from her Fed Cup victory with the United States, Lindsay Davenport defeated Barbara Schett of Austria 6-4, 7-5 in the first round of the Sparkassen Cup in Leipzig.

Davenport, seeded fifth, faltered at the start of the second set and fell behind 5-2, but fought back to secure victory. "I want to win here and eventually I want to be world No 1," the 20-year-old said after the match.

In second-round matches, Ivo Majoli of Croatia defeated Silvia Farina of Italy 6-4, 6-2, and the unseeded Hana Sukova of the Czech Republic upset the eighth seed, Karina Habsanova of Slovakia, 7-5, 6-7, 6-2.

Results, Digest, page 27